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ARTES SCIENTIA VERITAS

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COMMONWEALTH OF AUSTRALIA.

PARLIAMENTARY DEBATES.

SESSION 1906.

(THIRD SESSION OF THE SECOND PARLIAMENT.)

6 EDW. VII.

IN FIVE VOLUMES.

VOL. XXXI.

(Comprising the period from 7th June to 12th July, 1906.)

SENATE AND HOUSE OF REPRESENTATIVES.

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1906.

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PARLIAMENT OF THE COMMONWEALTH.

GOVERNOR-GENERAL.

His Excellency the Right Honorable HENRY STAFFORD, BARON NORTHCOTE, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Knight Grand Commander of the Most Eminent Order of the Indian Empire, Companion of the Most Honorable Order of the Bath, Governor-General and Commander-in-Chief of the Commonwealth of Australia.

REID-McLEAN ADMINISTRATION.

(17th August, 1904, to 5th July, 1905.)

Minister of External Affairs	...	The Right Honorable George Houston Reid, P.C., K.C.
Minister of Trade and Customs	...	The Honorable Allan McLean.
Attorney-General...	...	The Honorable Sir Josiah Henry Symon, K.C.M.G., K.C.
Treasurer	...	The Right Honorable Sir George Turner, P.C., K.C.M.G.
Minister of Home Affairs	...	The Honorable Dugald Thomson.
Minister of Defence	...	The Honorable James Whiteside McCay.
Postmaster-General	...	The Honorable Sydney Smith.
Vice-President of the Executive Council		The Honorable James George Drake.

DEAKIN ADMINISTRATION.

(From 5th July, 1905.)

Minister of External Affairs	...	The Honorable Alfred Deakin.
Attorney-General...	...	The Honorable Isaac Alfred Isaacs, K.C., <i>Succeeded by</i> The Honorable Littleton Ernest Groom (13th October, 1906.)
Minister of Trade and Customs	...	The Honorable Sir William John Lyne, K.C.M.G.
Treasurer	...	The Right Honorable Sir John Forrest, P.C., G.C.M.G.
Postmaster-General	...	The Honorable Austin Chapman.
Minister of Defence	...	The Honorable Thomas Playford.
Minister of Home Affairs	...	The Honorable Littleton Ernest Groom, <i>Succeeded by</i> The Honorable Thomas Thomson Ewing (13th October, 1906.)
Vice-President of Executive Council		The Honorable Thomas Thomson Ewing, <i>Succeeded by</i> The Honorable John Henry Keating (13th October, 1906.)
Without portfolio	...	The Honorable John Henry Keating, <i>Succeeded by</i> The Honorable Samuel Mauger (13th October, 1906.)

MEMBERS OF THE SENATE.

SECOND PARLIAMENT.—THIRD SESSION.

President—The Hon. Sir Richard Chaffey Baker, K.C.M.G., K.C.

Chairman of Committees—The Hon. William Guy Higgs.

Baker, Hon. Sir Richard Chaffey, K.C.M.G., K.C.	...	South Australia.
Best, Hon. Robert Wallace	...	Victoria.
Clemons, Hon. John Singleton	...	Tasmania.
Croft, John William	...	Western Australia.
Dawson, Hon. Anderson	...	Queensland.
de Largie, Hon. Hugh	...	Western Australia.
†Dobson, Hon. Henry	...	Tasmania.
Drake, Hon. James George	...	Queensland.
Findley, Edward	...	Victoria.
Fraser, Hon. Simon	...	Victoria.
Givens, Thomas	...	Queensland.
Gould, Lt.-Col., Hon. Albert John	...	New South Wales.
Gray, John Proctor	...	New South Wales.
Guthrie, Robert Storrie	...	South Australia.
Henderson, George	...	Western Australia.
†Higgs, Hon. William Guy	...	Queensland.
Keating, Hon. John Henry	...	Tasmania.
Macfarlane, Hon. James	...	Tasmania.
Matheson, Hon. Alexander Perceval	...	Western Australia.
McGregor, Hon. Gregor	...	South Australia.
Millen, Hon. Edward Davis	...	New South Wales.
Mulcahy, Hon. Edward	...	Tasmania.
†Neild, Col. Hon. John Cash	...	New South Wales.
O'Keefe, Hon. David John	...	Tasmania.
Pearce, Hon. George Foster	...	Western Australia.
Playford, Hon. Thomas	...	South Australia.
Pulsford, Edward	...	New South Wales.
Smith, Hon. Miles Staniforth Cater	...	Western Australia.
Stewart, Hon. James Charles	...	Queensland.
Story, William Harrison	...	South Australia.
Styles, Hon. James	...	Victoria.
Symon, Hon. Sir Josiah Henry, K.C.M.G., K.C.	...	South Australia.
Trenwith, Hon. William Arthur	...	Victoria.
Turley, Henry	...	Queensland.
Walker, Hon. James Thomas	...	New South Wales.
Zeal, Hon. Sir William Austin, K.C.M.G.	...	Victoria.

† Chairman of Committees.

‡ Temporary Chairman of Committees.

MEMBERS OF THE HOUSE OF REPRESENTATIVES.

SECOND PARLIAMENT.—THIRD SESSION.

Speaker.—The Hon. Sir Frederick William Holder, K.C.M.G.

Chairman of Committees—The Hon. Charles McDonald.

Bamford, Hon. Frederick William ...	...	Herbert. (Q.)
††Batchelor, Hon. Egerton Lee ...	...	Boothby. (S.A.)
Bonython, Hon. Sir John Langdon ...	...	Barker. (S.A.)
Brown, Hon. Thomas ...	...	Canobolas. (N.S.W.)
Cameron, Hon. Donald Norman ...	...	Wilmet. (T.)
Carpenter, William Henry ...	...	Fremantle. (W.A.)
Chanter, Hon. John Moore ...	...	Riverina. (N.S.W.)
Chapman, Hon. Austin ...	...	Eden-Monaro. (N.S.W.)
Conroy, Hon. Alfred Hugh Beresford ...	...	Werriwa. (N.S.W.)
Cook, Hon. James Newton Haxton Hume ...	...	Bourke. (V.)
Cook, Hon. Joseph ...	...	Parramatta. (N.S.W.)
Crouch, Hon. Richard Armstrong ...	...	Corio. (V.)
Culpin, Millice ...	...	Brisbane. (Q.)
Deakin, Hon. Alfred ...	...	Ballarat. (V.)
Edwards, Hon. George Bertrand ...	...	South Sydney. (N.S.W.)
Edwards, Hon. Richard ...	...	Oxley. (Q.)
Ewing, Hon. Thomas Thomson ...	...	Richmond. (N.S.W.)
Fisher, Hon. Andrew ...	...	Wide Bay. (Q.)
Forrest, Right Hon. Sir John, P.C., G.C.M.G....	...	Swan. (W.A.)
††Fowler, Hon. James Mackinnon ...	...	Perth. (W.A.)
Frazer, Charles Edward ...	...	Kalgoorlie. (W.A.)
Fuller, Hon. George Warburton ...	...	Illawarra. (N.S.W.)
Fysh, Hon. Sir Philip Oakley, K.C.M.G. ...	...	Denison. (T.)
Gibb, James ...	...	Flinders. (V.)
Glynn, Hon. Patrick McMahon ...	...	Angas. (S.A.)
Groom, Hon. Littleton Ernest ...	...	Darling Downs. (Q.)
Harper, Hon. Robert ...	...	Mernda. (V.)
Higgins, Hon. Henry Bourne, K.C. ...	...	Northern Melbourne. (V.)
Holder, Hon. Sir Frederick William, K.C.M.G. ...	...	Wakefield. (S.A.)
Hughes, Hon. William Morris ...	...	West Sydney. (N.S.W.)
Hutchison, James ...	...	Hindmarsh. (S.A.)
Isaacs, Hon. Isaac Alfred, K.C. ...	...	Indi. (V.)
Johnson, William Elliot ...	...	Lang. (N.S.W.)
Kelly, William Henry ...	...	Wentworth. (N.S.W.)
Kennedy, Hon. Thomas ...	...	Moir. (V.)
Kingston, Right Hon. Charles Cameron, P.C., K.C. ...	...	Adelaide. (S.A.)
Knox, Hon. William ...	...	Kooyong. (V.)
Lee, Henry William ...	...	Cowper. (N.S.W.)
Liddell, Frank ...	...	Hunter. (N.S.W.)
Lonsdale, Edmund ...	...	New England. (N.S.W.)
Lyne, Hon. Sir William John, K.C.M.G. ...	...	Hume. (N.S.W.)
Mahon, Hon. Hugh ...	...	Coolgardie. (W.A.)
Maloney, William Robert Nuttall ...	...	Melbourne. (V.)
††Manger, Hon. Samuel ...	...	Melbourne Ports. (V.)
McCay, Hon. James Whiteside ...	...	Corinella. (V.)
McColl, Hon. James Hiers ...	...	Echuca. (V.)
**McDonald, Hon. Charles ...	...	Kennedy. (Q.)
McLean, Hon. Allan ...	...	Gippsland. (V.)
McWilliams, William James ...	...	Franklin. (T.)
O'Malley, Hon. King ...	...	Darwin (T.)
Page, Hon. James ...	...	Maranoa. (Q.)
Phillips, Hon. Pharez ...	...	Wimmera. (V.)
Poynton, Hon. Alexander ...	...	Grey. (S.A.)
Quick, Hon. Sir John ...	...	Bendigo. (V.)
Reid, Right Hon. George Houstoun, P.C., K.C. ...	...	East Sydney. (N.S.W.)
Robinson, Arthur ...	...	Wannon. (V.)
Ronald, Hon. James Black ...	...	Southern Melbourne. (V.)
Salmon, Hon. Charles Carty ...	...	Laanecoorie. (V.)

SECOND PARLIAMENT.—THIRD SESSION—*continued.*

Skene, Hon. Thomas	...	...	...	...	Grampians. (V.)
Smith, Hon. Bruce, K.C.	...	...	...	...	Parke. (N.S.W.)
Smith, Hon. Sydney	...	...	...	...	Macquarie. (N.S.W.)
Spence, Hon. William Guthrie	...	...	...	...	Darling. (N.S.W.)
Storror, David	...	...	...	...	Bass. (T.)
Thomas, Hon. Josiah	...	...	...	...	Barrier. (N.S.W.)
Thomson, David Alexander	...	...	...	...	Capricornia. (Q.)
Thomson, Hon. Dugald	...	...	...	...	North Sydney. (N.S.W.)
Tudor, Hon. Frank Gwynne	...	...	...	...	Yarra. (V.)
Turner, Right Hon. Sir George, P.C., K.C.M.G.	...	...	...	...	Balaclava. (V.)
Watkins, Hon. David	...	...	...	...	Newcastle. (N.S.W.)
Watson, Hon. John Christian	...	...	...	...	Bland. (N.S.W.)
Webster, William	...	...	...	...	Gwydir. (N.S.W.)
Wilkinson, Hon. James	...	...	...	...	Moreton. (Q.)
††Wilks, Hon. William Henry	...	...	...	...	Dalley. (N.S.W.)
Willis, Hon. Henry	...	...	...	...	Robertson. (N.S.W.)
Wilson, John Gratton	...	...	...	...	Corangamite. (V.)

** Chairman of Committees.

†† Temporary Chairman of Committees.

OFFICERS.

Senate.—E. G. Blackmore, C.M.G., Clerk of the Parliaments; C. B. Boydell, Clerk Assistant; G. E. Upward, Usher of the Black Rod.

House of Representatives.—C. G. Duffy, C.M.G., Clerk; W. A. Gale, Clerk Assistant; T. Woollard, Serjeant-at-Arms.

Reporting Staff.—B. H. Friend, Principal Parliamentary Reporter; D. F. Lumsden, Second Reporter.

Library.—A. Wadsworth, Parliamentary Librarian.

COMMITTEES OF THE SESSION.

SENATE.

COMMITTEE OF DISPUTED RETURNS AND QUALIFICATIONS.—Senator de Largie, Senator Dobson, Senator Macfarlane, Senator Sir J. H. Symon, Senator Walker, Senator Col. Neild, Senator Styles.

STANDING ORDERS COMMITTEE.—The President, the Chairman of Committees, Senator Best, Senator Dobson, Senator Lt.-Col. Gould, Senator Playford, Senator Pearce, Senator Trenwith, and Senator Sir J. H. Symon.

LIBRARY COMMITTEE.—The President, Senator Keating, Senator Matheson, Senator Millen, Senator Stewart, Senator Styles, and Senator Clemons.

HOUSE COMMITTEE.—The President, Senator de Largie, Senator Fraser, Senator Col. Neild, Senator O'Keefe, Senator Turley, and Senator Staniforth Smith.

PRINTING COMMITTEE.—Senator Dawson, Senator Findley, Senator Guthrie, Senator Henderson, Senator Macfarlane, Senator Pulsford, and Senator Sir William Zeal.

HOUSE OF REPRESENTATIVES.

STANDING ORDERS COMMITTEE.—Mr. Speaker, the Prime Minister, the Chairman of Committees, Mr. Kingston.

LIBRARY COMMITTEE.—Mr. Speaker, Sir Langdon Bonython, Mr. G. B. Edwards, Mr. Glynn, Mr. Groom, Mr. Isaacs, Mr. Bruce Smith, Mr. Spence.

HOUSE COMMITTEE.—Mr. Speaker, Mr. Fisher, Mr. Knox, Mr. Mauger, Mr. Page, Mr. Salmon, Mr. Dugald Thomson.

PRINTING COMMITTEE.—Mr. Ewing, Mr. Fowler, Mr. Harper, Mr. Mahon, Mr. Poynton, Sir John Quick, Mr. Watkins.

ACTS OF THE SESSION.

APPROPRIATION ACT (No. 23 of 1906)—

An Act to grant and apply a sum out of the Consolidated Revenue Fund to the service of the year ending the thirtieth day of June, One thousand nine hundred and seven, and to appropriate the supplies granted for such year in this session of the Parliament. [Initiated in House of Representatives by Sir John Forrest, 28th September. Assented to 12th October.]

APPROPRIATION (WORKS AND BUILDINGS) ACT (No. 7 of 1906)—

An Act to grant and apply a sum out of the Consolidated Revenue Fund to the service of the year ending the thirtieth day of June, One thousand nine hundred and seven, for the purpose of additions, new works, buildings, &c. [Initiated in House of Representatives by Sir John Forrest, 22nd August. Assented to 7th September.]

AUDIT ACT (No. 8 of 1906)—

An Act to amend the Audit Act 1901. [Initiated in House of Representatives by Sir John Forrest, 15th June. Assented to 24th September.]

AUSTRALIAN INDUSTRIES PRESERVATION ACT (No. 9 of 1906)—

An Act for the Preservation of Australian Industries, and for the Repression of Destructive Monopolies. [Initiated in House of Representatives by Sir William Lyne, 7th June. Assented to 24th September.]

CUSTOMS TARIFF (AGRICULTURAL MACHINERY) ACT (No. 14 of 1906)—

An Act relating to duties of Customs. [Initiated in House of Representatives by Sir William Lyne, 21st September. Assented to 12th October.]

CUSTOMS TARIFF (SOUTH AFRICAN PREFERENCE) ACT (No. 17 of 1906)—

An Act relating to preferential duties of Customs on certain goods the produce or manufacture of the British Colonies or Protectorates in South Africa which are included within the South African Customs Union. [Initiated in House of Representatives by Mr. Deakin, 5th October. Assented to 12th October.]

DESIGNS ACT (No. 4 of 1906)—

An Act relating to copyright in industrial designs. [Initiated in Senate by Senator Keating, 15th June. Assented to 28th August.]

ELECTORAL (ADVERTISEMENTS) ACT (No. 18 of 1906)—

An Act to amend the law relating to Parliamentary elections. [Initiated in House of Representatives by Mr. Groom, 28th September. Assented to 12th October.]

ELECTORAL VALIDATING ACT (No. 12 of 1906)—

An Act to validate the electoral divisions of the State of New South Wales. [Initiated in House of Representatives by Mr. Groom, 17th August. Assented to 8th October.]

EXCISE TARIFF (AGRICULTURAL MACHINERY) ACT (No. 16 of 1906)—

An Act relating to duties of Excise. [Initiated in House of Representatives by Sir William Lyne, 21st September. Assented to 12th October.]

EXCISE TARIFF (SPIRITS) ACT (No. 20 of 1906)—

An Act to amend the Excise Tariff 1902. [Initiated in House of Representatives by Sir William Lyne, 21st August. Assented to 12th October.]

EXCISE TARIFF (SUGAR) AMENDMENT ACT (No. 15 of 1906)—

An Act to amend the Excise Tariff 1905. [Initiated in House of Representatives by Sir William Lyne, 28th September. Assented to 12th October.]

GOVERNOR-GENERAL'S RESIDENCES ACT (No. 2 of 1906)—

An Act relating to the residences of the Governor-General. [Initiated in House of Representatives by Mr. Groom, 28th June. Assented to 8th August.]

JUDICIARY ACT (No. 5 of 1906)—

An Act to amend the Judiciary Act. [Initiated in House of Representatives by Mr. Isaacs, 19th June. Assented to 28th August.]

LANDS ACQUISITION ACT (No. 13 of 1906)—

An Act relating to the acquisition by the Commonwealth of land required for public purposes and for dealing with land so acquired and for other purposes connected therewith. [Initiated in Senate by Senator Keating, 20th June. Assented to 12th October.]

METEOROLOGY ACT (No. 3 of 1906)—

An Act relating to meteorological observations. [Initiated in Senate by Senator Keating, 15th June. Assented to 28th August.]

PACIFIC ISLAND LABOURERS ACT (No. 22 of 1906)—

An Act to amend the Pacific Island Labourers Act 1901. [Initiated in House of Representatives by Mr. Deakin, 11th September. Assented to 12th October.]

PATENTS ACT (No. 19 of 1906)—

An Act to amend the Patents Act 1903. [Initiated by Sir William Lyne, 28th September. Assented to 12th October.]

REFERENDUM (CONSTITUTION ALTERATION) ACT (No. 11 of 1906)—

An Act relating to the submission to the electors of proposed laws for the alteration of the Constitution. [Initiated in House of Representatives by Mr. Groom, 28th August. Assented to 8th October.]

SPIRITS ACT (No. 21 of 1906)—

An Act relating to spirits. [Initiated in House of Representatives by Sir William Lyne, 21st August. Assented to 12th October.]

SUPPLY ACT (No. 1) (No. 1 of 1906)—

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending the thirtieth day of June, One thousand nine hundred and seven. [Initiated in House of Representatives by Sir John Forrest, 21st June. Assented to 28th June.]

SUPPLY ACT (No. 2) (No. 6 of 1906)—

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending the thirtieth day of June, One thousand nine hundred and seven. [Initiated in House of Representatives by Sir John Forrest, 23rd August. Assented to 29th August.]

TASMANIAN CABLE RATES ACT (No. 10 of 1906)—

An Act to amend the Post and Telegraph Rates Act 1902. [Initiated in House of Representatives by Mr. Chapman, 14th September. Assented to 28th September.]

BILLS OF THE SESSION.

BOUNTIES BILL—

[Initiated in House of Representatives by Sir William Lyne, 18th July; Order of the Day discharged, Bill discharged in Senate, 12th October.]

CANTEEN BILL—

[Initiated in House of Representatives by Mr. Mauger, 14th June; second reading negatived in Senate, 30th August.]

COMPANIES (REGISTERED OFFICES) BILL—

[Initiated in House of Representatives by Mr. Deakin, 11th September; Bill not introduced.]

CONSTITUTION ALTERATION (NATIONALIZATION OF MONOPOLIES) BILL—

[Initiated in Senate by Senator Pearce, 16th August; second reading negatived in Senate, 4th October.]

CONSTITUTION ALTERATION (SENATE ELECTIONS) BILL—

[Initiated in Senate by Senator Keating, 17th August; awaiting referendum.]

CONSTITUTION ALTERATION (SPECIAL DUTIES) BILL—

[Initiated in House of Representatives by Mr. Deakin, 30th August; laid aside in Senate, 2nd October.]

CONSTITUTION ALTERATION (STATE DEBTS) BILL—

[Initiated in House of Representatives by Sir John Forrest, 30th August; laid aside in Senate, 11th October.]

COPYRIGHT BILL—

[Initiated in House of Representatives by Mr. Deakin, 17th August; lapsed at prorogation.]

CUSTOMS TARIFF (BRITISH PREFERENCE) BILL—

[Initiated in House of Representatives by Sir William Lyne, 20th September; Royal assent reserved.]

CUSTOMS TARIFF (BRITISH PREFERENCE) AMENDMENT BILL—

[Initiated in House of Representatives by Mr. Deakin, 11th October; first reading negatived in Senate, 11th October.]

ELECTORAL BILL—

[Initiated in House of Representatives by Mr. Chanter, 21st June; lapsed at prorogation.]

ELECTORAL BILL—

[Initiated in Senate by Senator Pearce, 19th July; second reading negatived in Senate, 26th July.]

FIRE INSURANCE BILL—

[Initiated in House of Representatives by Mr. Frazer, 26th July; lapsed at prorogation.]

KALGOORLIE TO PORT AUGUSTA RAILWAY SURVEY BILL—

[Initiated in House of Representatives by Mr. Groom, 15th June; third reading negatived in Senate, 21st September.]

LIFE ASSURANCE (FOREIGN COMPANIES) BILL—

[Initiated in House of Representatives by Mr. Groom, 15th June; lapsed at prorogation.]

MARINE LIGHTS AND MARKS BILL—

[Initiated in House of Representatives by Sir William Lyne, 15th June; Bill not introduced.]

PAPUA BILL—

[Initiated in Senate by Senator Stewart, 9th August; lapsed at prorogation.]

POSTAL RATES BILL—

[Initiated in House of Representatives by Mr. Chapman, 3rd August; lapsed at prorogation.]

POST AND TELEGRAPH BILL—

[Initiated in House of Representatives by Mr. Chapman, 28th September; lapsed at prorogation.]

PREFERENTIAL BALLOT BILL—

[Initiated in House of Representatives by Mr. Groom, 21st August; lapsed at prorogation.]

PUBLIC SERVICE BILL—

[Initiated in House of Representatives by Mr. Brown, 8th August; Order of the Day discharged, Bill withdrawn, 26th September.]

PUBLIC SERVICE (APPEALS) BILL—

[Initiated in House of Representatives by Mr. Hughes, 9th August; lapsed at prorogation.]

PUBLIC SERVICE (TELEGRAPH MESSENGERS) BILL—

[Initiated in House of Representatives by Mr. Groom, 28th September; first reading negatived in Senate, 5th October.]

QUARANTINE BILL—

[Initiated in Senate by Senator Playford, 19th July; Bill not introduced.]

PARLIAMENT CONVENED.

SECOND PARLIAMENT—THIRD SESSION.

Parliament was convened by the following Proclamation :—

(*Gazette No. 25, 1906.*)

PROCLAMATION

COMMONWEALTH OF
AUSTRALIA TO WIT.
(Sgd.) NORTHCOTE,
Governor-General.
(L S.)

By His Excellency the Right Honorable HENRY STAFFORD, BARON NORTHCOTE, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Knight Grand Commander of the Most Eminent Order of the Indian Empire, Companion of the Most Honorable Order of the Bath, Governor-General and Commander-in-Chief of the Commonwealth of Australia.

WHEREAS by the Commonwealth of Australia Constitution Act it is amongst other things enacted that the Governor-General may appoint such times for holding the Sessions of the Parliament as he thinks fit, and also from time to time by Proclamation or otherwise prorogue the Parliament: And whereas on the twenty-ninth day of March, One thousand nine hundred and six, the Parliament was further prorogued until Saturday, the fifth day of May, One thousand nine hundred and six, and it is expedient to further prorogue the said Parliament: Now therefore I, HENRY STAFFORD, BARON NORTHCOTE, the Governor-General aforesaid, in exercise of the power conferred by the said Act, do by this my Proclamation further prorogue the said Parliament until Thursday, the seventh day of June proximo, and I do appoint the said Thursday, the seventh day of June proximo, as the day for the said Parliament to assemble and be holden for the despatch of business. And all Members of the Senate and of the House of Representatives respectively are hereby required to give their attendance accordingly, in the building known as the Houses of Parliament, situate in Spring-street, in the City of Melbourne, at half-past Two in the afternoon, on the said Thursday, the seventh day of June, One thousand nine hundred and six.

Given under my Hand and the Seal of the Commonwealth of Australia aforesaid, this fourth day of May, in the year of our Lord One thousand nine hundred and six, in the sixth year of His Majesty's reign.

By His Excellency's Command,

(Sgd.)

ALFRED DEAKIN.

GOD SAVE THE KING!

COMMONWEALTH OF AUSTRALIA.

PARLIAMENTARY DEBATES.

Third Session of the Second Parliament.

THE Parliament was prorogued on 21st December, 1905, until 31st January, 1906. It was further prorogued to 31st March, thence to 5th May, and finally to 7th June, when it met for the despatch of business.

Senate.

Thursday, 7 June, 1906.

PROCLAMATION.

THE SENATE met at 2.30 p.m., pursuant to the proclamation of His Excellency the Governor-General.

The 'CLERK OF THE PARLIAMENTS read the proclamation.

GOVERNOR-GENERAL'S SPEECH.

HIS EXCELLENCY THE GOVERNOR-GENERAL entered the chamber and took the chair. A message was forwarded to the House of Representatives, intimating that His Excellency desired the attendance of honorable members in the Senate chamber, who, being come with their Speaker,

HIS EXCELLENCY was pleased to deliver the following speech:—

GENTLEMEN:

1. I have called you together, I rejoice to say, in a season of general prosperity throughout the Commonwealth, production having increased, prices being favorable, while both trade and finance

afford most encouraging evidence of the soundness of business.

2. Pursuant to the arrangement expressed in the Anglo-French Agreement of 1904, a Conference was held in London between representatives of the British and French Governments for the purpose of drawing up a scheme for the control of the New Hebrides, which, without altering the international *status quo*, should provide for the personal security of European residents and for the settlement of disputes. A copy of the draft convention adopted at that Conference has been forwarded to Ministers, who have had the advantage of consulting the Prime Minister of New Zealand with respect to its terms. A communication, expressing their views concerning the protection of the natives and the preservation of Australasian interests in the group, is now being forwarded to the Colonial Office.

3. The future of Papua has engaged earnest attention during the recess, and proposals for a new administration will be laid before you. Meanwhile the issue of

the Proclamation bringing the Papua Act into force and creating British New Guinea a territory of the Commonwealth, has been deferred until new ordinances are ready for enactment. These measures, while effectively preserving the rights and interests of the natives, are liberal in their terms, and are expected to induce considerable settlement.

4. The South Australian Government forwarded to Ministers resolutions from its Legislative Assembly, offering the Northern Territory to the Commonwealth upon certain terms. Correspondence is now proceeding which, it is anticipated, will lead to a formal offer being made. All papers in the matter will be laid before you.

5. The reports of the Royal Commission relating to old-age pensions and the alleged tobacco monopoly have been presented, and will be tabled.

6. Subject to the passage by Parliament of the necessary Act, my Advisers have expressed their willingness to accept from the Imperial Government the control of Norfolk Island, now a Crown Colony, administered by the Governor of New South Wales.

7. The Royal Commission appointed to examine the Bill relating to navigation and shipping has presented an interim report, dealing with the main principles of such a measure. The Bill originally introduced is being revised in the light of the report and the evidence preparatory to a Conference upon the question which is to be held in London.

8. For over twenty years Australia has enjoyed the assistance of a number of Imperial officers for the purpose of training those in command of our local Forces, in addition to which many of the latter have been sent to England and India for instruction. Hereafter preference in appointments will be given to Australian officers and non-commissioned officers. The policy of sending men of promise to England, India, and elsewhere for training will be continued; and arrangements have

been made for the periodical exchange of our own officers with those of the Imperial Army, both in England and India, and also with the Canadian Forces. The advice and assistance of officers in the Navy and Army of the mother country possessed of special qualifications for judging our progress will be sought from time to time.

9. The International Postal Congress, at which the Commonwealth was represented by the Postmaster-General, conceded another representative to Australasia, and accomplished some useful work facilitating international postal communication.

10. With the concurrence of the States, a Conference of Commonwealth and State electoral officers was recently held for the purpose of securing uniformity of electoral administration, from which greater economy and efficiency are anticipated.

11. A Commonwealth Statistician has been appointed under the Census and Statistics Act 1905, and will shortly enter upon his duties.

GENTLEMEN OF THE HOUSE OF REPRESENTATIVES:

12. The Estimates of Expenditure originating from you will be framed with economy, having due regard to the magnitude of the area and interests under control.

13. Plans for the redistribution of your electorates throughout the Commonwealth have been prepared by Commissioners appointed in accordance with the provisions of the Electoral Act, and resolutions for the purpose of giving effect to the Commissioners' recommendations will be promptly submitted to Parliament for ratification.

GENTLEMEN OF THE SENATE AND OF THE HOUSE OF REPRESENTATIVES:

14. You will be asked to give immediate attention to a Bill for the preservation of Australian industries, and the repression of destructive monopolies.

15. The Royal Commission appointed to inquire into the working of the Customs Tariff, and its effect upon Australian industries, has already furnished three reports, which will be submitted. You will be asked to consider them, and any others with which it will be reasonably possible to deal.

16. The negotiations initiated by my Advisers for preferential trade with South Africa, with New Zealand, and other parts of the Empire have now been as far advanced tentatively as is desirable, in view of the present position of the Tariff Commission Inquiry. It is hoped that a Bill will be introduced during the session providing for an expansion of our commercial relations under the flag, by means of which we may reciprocally share their advantages with other peoples of British birth to whom we desire to be more closely united.

17. At a Conference held in Sydney last month the State Premiers considered and generally approved, a plan submitted to them by my Advisers providing for unity of effort in London in the promotion of Immigration to the States of the Commonwealth. Your consent to this forward step in a great movement will be invited.

18. No agreement was attained at this Conference upon the fundamental questions which were discussed affecting the finances of the Commonwealth, and the transfer of the debts of the States. Although the sole constitutional responsibility for dealing with them rests with this Parliament, any suggestions from the Conference that could have been agreed to by my Ministers would have been most welcome. The recent visit of the Treasurer to London enabled him to acquire valuable information upon these matters. The views of my Advisers will be submitted in due course.

19. My Advisers have prepared a scheme for giving assistance to those engaged in the cultivation of the soil, and for the encouragement of new industries. These objects will, it is hoped, be materially assisted by means of a series of bounties which you will be asked to approve.

20. The pressure of appeal business upon the High Court precludes attention to its original jurisdiction, and prevents the discharge of the additional duties cast upon the Justice who is President of the Arbitration Court. A measure to relieve the strain upon the Court and provide for the full exercise of its functions by increasing the number of its members will be laid before you.

21. Tenders for a new mail service with Great Britain have been received, and are now in course of examination prior to their recommendation to you.

22. The Pacific Cable Board are about to adopt more active methods of increasing their traffic receipts by extending the opportunities for using this line of communication.

23. The necessity for a systematic and continuous policy of Defence, based on our probable requirements in the event of Australia being attacked, is apparent. Its adoption and maintenance would save unwise expenditure and increase public confidence. The question of coastal and fixed defences has been referred for the advice of the Imperial Defence Committee, the services of the chief of the Intelligence Department having been placed at its disposal. Upon his return a modification of the present "scheme of organization" of our land forces will be undertaken now that the criticisms of the Colonial Defence Committee have been received.

24. In order that the latest information regarding naval development may be in the hands of the Government, the director of Naval Forces was commissioned to proceed to England, and his reports will receive due consideration in connexion with the scheme of defence now being prepared by the Imperial Defence Committee. Developments of the naval cadet movement will be carefully fostered.

25. The Commonwealth has been placed on a more satisfactory footing with regard to ordering, obtaining, and paying for certain warlike and other stores, which it is necessary to procure in England, by tem-

porarily placing the Secretary for Defence in charge of an office in London. It is anticipated that, as a result, much inconvenience and expense will be saved.

26. Field guns of the latest type have been obtained, and a large number of new rifles ordered; the supply of cordite and ammunition has been largely increased. The strength of the Citizen Forces has been well maintained, and the number of Rifle Club members shows a noteworthy increase during the past year.

27. Our cadet corps have now been organized upon one definite and uniform principle throughout the Commonwealth. Provision has been made for senior cadet corps of boys who have left school. The scheme will admit of further extensions, which will be undertaken as required.

28. A Bill has been prepared for the protection of Australian policy-holders in foreign life insurance companies carrying on business in the Commonwealth.

29. A Bill relating to industrial designs will be introduced. This will complete the legislation on the related subjects of patents, trade marks and designs, and is necessary to enable the Commonwealth to join in the International Convention for the protection of industrial property.

30. The proposal to more definitely determine the territory for the purpose of the Seat of Government will be submitted to Parliament for final consideration.

31. A measure to authorize a survey of a route for the Trans-Australian Railway will be renewed, and it is hoped will meet with your assent.

32. In accordance with recommendations of the Navigation Commission, a Quarantine Bill will be introduced as soon as possible, with a view to its subsequent incorporation with the Navigation Act.

33. You will be invited to consider a Bill establishing a Meteorological Department, and authorizing agreements with the States for work of this character hitherto undertaken by them.

34. Measures for the appointment of a High Commissioner, relating to light-houses, weights and measures, the occupation of Government House, Sydney, and an amendment of the law relating to the acquisition of property, will be brought forward.

35. Your consent will be sought to preliminary proposals in regard to the best methods of furthering the progress of industries associated with the soil.

36. In committing these many grave and serious matters to your best judgment, I feel assured that, under the blessing of Providence, your fruitful labours will promote the growth and prosperity of Australia.

HIS EXCELLENCY the GOVERNOR-GENERAL having retired,

The PRESIDENT took the chair and read prayers.

GOVERNOR-GENERAL'S SPEECH: ADDRESS-IN-REPLY.

The PRESIDENT.—I have to report to the Senate that I have received from His Excellency the Governor-General a copy of the speech with which he opened Parliament, and I lay it upon the table.

Senator PLAYFORD (South Australia)—Minister of Defence [3.1].—I move—

That an Address-in-Reply to the Governor-General's speech be taken into consideration on the next day of sitting.

Senator MILLEN.—Before that motion is dealt with I should like to invite your attention, Mr. President, to standing order No. 11. According to our Standing Orders, if I correctly read them—of course, their interpretation is in your hands—it is incumbent upon us to proceed to deal with the Address-in-Reply at once. Standing order 11 states—

The speech having been reported by the President—

which is the position in which we now are—

a motion for an Address-in-Reply to the speech will then be made and agreed to with or without amendment.

Now, the point which I submit for your consideration is whether, under this standing order, it is not incumbent upon us to proceed with, or at any rate to initiate, a debate on a motion for the adoption of an

Address-in-Reply to the speech which you have just reported?

The PRESIDENT.—I am bound to say that, if the standing order referred to be strictly interpreted, Senator Millen is correct. Honorable senators will recollect that two circulars have been issued, the first stating that, the speech having been reported to the Senate, a day would be fixed for the consideration of the Address-in-Reply. When I saw that, I pointed out to the Clerks that the course proposed was not in accordance with standing order 11, as standing order 11 contemplated that we should immediately go on with the consideration of His Excellency's speech. A second circular was then issued. But I afterwards found that circumstances had arisen which presented a great difficulty. That is a matter for the Senate to take into consideration; but if I am asked to interpret the standing order strictly, I think Senator Millen is right.

Senator PLAYFORD.—Perhaps I may be allowed to say a word or two. I do not understand that we are bound strictly by the standing order. We can be guided by our own convenience in matters of this sort. I do not think we ought to be slavishly bound to follow any particular standing order. But, in addition to that, I would remind honorable senators of what took place on the last occasion of this kind. I find that something of the same kind occurred then. The then leader of the Government moved, at precisely the same stage as we have arrived at now—

That the speech of His Excellency the Governor-General be taken into consideration to-morrow.

He did that under precisely the same Standing Orders as we have to-day, and honorable senators opposite never said a word in objection. We, who were then in opposition, were at all events willing to assist the leader of the Government, and to meet the general convenience, recognising the difficulties that those members of the Senate would be in who had to move and second the Address-in-Reply if they had not a copy of the Governor-General's speech in their hands some time before the Senate met. We, as I say, on that occasion took no objection to the course then suggested, and that course was adopted, in spite of the standing order. It was a convenient and proper course to adopt. Look at the position. It was not until yesterday, after 12 o'clock, that the

speech of His Excellency the Governor-General was finally agreed to.

Senator Lt.-Col. GOULD.—Whose fault was that?

Senator PLAYFORD.—It does not matter whose fault it was. It was impossible, through circumstances which arose, to deal with the matter earlier. It was not the fault of the Government.

Senator MILLEN.—The Government had six months in which to prepare the speech.

Senator PLAYFORD.—Honorable senators know very well that a Government has to leave the preparation of the speech opening Parliament till the last moment.

Senator MILLEN.—Does the honorable senator intend to conclude with a motion?

Senator PLAYFORD.—I do not intend to conclude with any other motion than that which I have moved.

Senator CLEMONS.—Then he is out of order.

Senator PLAYFORD.—The President has not yet given a definite ruling, and I want to put the position in order that the Senate may know how matters stand. I have explained what was done last year. The same thing was done the year before. It is the common practice. It has been the practice because it is a convenient one to follow.

Senator MILLEN.—It is very convenient for the Minister to break standing orders when they do not suit him!

Senator PLAYFORD.—It was very convenient to break them last year, when Senator Millen took no objection to the course which his leader proposed. He never troubled about it then. But of course his party is not in office now, and the present Government is.

Senator MILLEN.—The obligation rests on me to try to keep this Government in order.

Senator PLAYFORD.—We are an orderly Government, and do not need the honorable senator's assistance.

Senator WALKER.—What are the exceptional circumstances that have arisen?

Senator PLAYFORD.—The circumstances are that the two senators who are to move and second the Address-in-Reply to the Governor-General's speech need an adjournment to enable them to think it over sufficiently well to be in a position to make speeches to the Senate worthy of the occasion.

Senator CLEMONS.—What are members doing in the other House?

The PRESIDENT.—I think I can suggest a way out of the difficulty if the Minister will sit down.

Senator PLAYFORD.—I am quite willing to listen to what the President may suggest, but I desire to point out before sitting down that, as a matter of fact, I am practically adhering to the standing order. The standing order simply says that the Governor-General's speech having been reported by the President, a motion relating to it shall be made. I have moved such a motion. There is not the slightest doubt that I have submitted a motion in regard to the Address-in-Reply. I then asked for an adjournment till next Wednesday to prepare a further motion dealing with the subject. I contend, therefore, that I am acting strictly in accordance with standing order 11. But I say that, even supposing I was not doing so, we are not bound strictly by standing order 11 if it is found to be inconvenient to the Senate to adhere to it strictly. It was considered to be more convenient to have an adjournment to give the mover and seconder of the Address-in-Reply an opportunity to study the speech. I further point out that I am following precedent, and that, in fact, I am adhering much more closely to the standing order than any Minister did on any such occasion previously, because I have submitted a motion that the speech be taken into consideration on the next day of sitting.

Senator Sir JOSIAH SYMON. — I understand that my honorable friend does not desire to proceed to-day with his motion. He endeavoured to draw a distinction between it and my motion of last year, but he frankly admits that the difference is somewhat like that between Tweedle-dum and Tweedle-dee. This motion, though not in the same words, is the same in substance. Without entering into the matter at any length, I desire to say that I do not see the need, on a point of order of this kind, for the heat which the honorable gentleman has introduced. I should, further, like to say that the course taken last year—which is the precedent alluded to—is no precedent if it is wrong. It must not be thought for one moment that I am at all shrinking from the course which was pursued last year—a course which was the same as that pursued the year before that, and in previous years.

The PRESIDENT.—I do not think that Senator Symon is correct as to the year before last.

Senator Sir JOSIAH SYMON.—Then I am obliged to you, Mr. President, for correcting me. At any rate, the course now suggested was adopted last year, and I was under the impression that it had been adopted in the previous year. If attention had been called to the irregularity last year, the probability is that some way would have been found to escape from the difficulty. I understand that you, sir, propose to now make some suggestion to that end. Obviously if the standing order is inconvenient, the proper method is not to "ride roughshod" over it, but to suspend it. In connexion with the business immediately before us, there may no doubt be inconvenience in at once proceeding with the discussion. I do not know what difficulty there is in the way of extending to honorable senators the same courtesy that is extended to members of another place, who are charged with the obligation of moving and seconding the Address-in-Reply. I understand that this motion is to be proceeded with in the other chamber to-day, and the same facilities that are extended to members of this Parliament elsewhere ought to be extended to us. Therefore, I ask that neither you, sir, nor the Senate should be influenced by any such reason as that submitted in assenting to any departure from the strict interpretation of the standing order. At the same time, I quite agree that it is our duty to assist the Government in every way, so far as concerns the arranging of the business of the session at its inception, and I personally desire to extend that assistance. No doubt there is inconvenience in dealing with such a motion, especially when there is a long speech of which one has to find out the nith: it is like hunting for a needle in a bundle of hay.

Senator MCGREGOR.—It is longer than the speech presented by the Government of which Senator Symon was a member.

Senator Sir JOSIAH SYMON. — The speech of the Government of which I was a member was emphatic and to the point.

The PRESIDENT.—I must ask Senator Symon not to be led away by interjections.

Senator Sir JOSIAH SYMON.—The interjections are inviting, and I ask your forgiveness if I yield to a temptation to which better men have yielded before now. If there is a way of arranging the matter, and the honorable gentleman in charge of the Government business, instead of vehemently "pitching into" Senator Millen, will make a suggestion to that end,

I shall be pleased to help him. At the same time, we must agree with what you, Mr. President, have said in regard to the strict interpretation of the standing order. If I acted last year in the way now suggested, probably I was wrong; but my attention was not called to the matter at the time. At any rate, the course then pursued is no precedent for setting aside the standing order now.

Senator MCGREGOR.—I think we are all getting very constitutional and endeavouring to interpret the Standing Orders in our own way. I do not see anything in the standing order to deter us from accepting the proposal of the leader of the Government. What does the standing order mean? I am not now talking from a legal point of view, but from the point of view which is taken on this side, that of common-sense. When the Governor-General delivers his speech a motion is to be submitted for an Address-in-Reply, and that motion is to be carried with or without debate. But the standing order does not say that this has to be done on the same day. The standing order, to my mind, and according to the practice of all the Parliaments of which I have any knowledge, simply means that no other business is to intervene until the Address-in-Reply has been disposed of. If honorable senators will look at the matter in that light they will come to a correct conclusion. Supposing the Governor-General opened Parliament at 5 o'clock on Saturday afternoon—which he would have a perfect right to do—and a discussion such as this followed, should we be compelled to sit on Sunday in order to finish the business? Can honorable senators not see the absurdity of the position created by straining the interpretation of this standing order? I think that you, Mr. President, when you look at this matter calmly, will agree that the standing order only means that no other business is to come before the Address-in-Reply.

Senator DAWSON.—Which need not be agreed to at one sitting.

Senator MCGREGOR.—The standing order does not say that the Address-in-Reply shall be agreed to at one sitting, but only that it must be agreed to before any other business is proceeded with. If we look at the matter in that light we see that the Government last year were doing what they had a perfect right to do, and that the present Government are simply following the

example of their predecessors in doing the right thing.

Senator TRENWITH.—Mr. President, before you give your ruling, I should like to call your attention to the working of the standing order which—

Senator MILLEN.—The President has given his ruling.

Senator TRENWITH.—I understand that the President has not ruled, but has merely said that if he is called upon to rule he must take a certain view. The matter is under discussion, and I desire to present an aspect which—

Senator MILLEN.—I do not wish to block Senator Trenwith, but I take it that the President has given his ruling.

The PRESIDENT.—I said that if I were pressed to give a ruling I should rule in a certain way. I did not wish to be pressed to give a ruling.

Senator TRENWITH.—There seems to be a disposition to press you, sir, to give a ruling, and before you do so I would suggest a reading of the standing order which commends itself to me. The speech of the Governor-General having been reported by the President, there must be a motion for an Address-in-Reply. The question is: what is a motion for an Address-in-Reply? The motion may be that certain words be the Address-in-Reply to His Excellency for the speech presented to Parliament, or, it seems to me, it may be a motion for provision for a subsequent consideration of an Address-in-Reply. It would not be straining the standing order to read the motion of the Minister of Defence as a motion for an Address-in-Reply, seeing that he has moved that an Address-in-Reply be taken into consideration next Wednesday. Clearly this is a motion for providing for an Address-in-Reply. I submit that if the Senate so desires, it is competent for us, under the standing order, in the reading I have presented, to accept the motion of the Minister of Defence as one for an Address-in-Reply. That is clearly what is intended by the standing order. As pointed out by Senator McGregor, no business can be proceeded with until we have disposed of the Governor-General's speech. It would be competent for us to adjourn immediately, without doing any business, but if we do any business we must first of all deal with the speech from the Crown.

The PRESIDENT.—The standing order appears to me to be quite clear. I am, of

course, intimately acquainted with the history of this standing order. Under the practice of, I think, all State Parliaments, when His Excellency opened Parliament by a speech, a small committee was appointed to bring up a report, which was then referred to the Committee of the whole. The Committee of the whole reported to the House, and when the motion was submitted for the adoption of the report, His Excellency's speech was discussed. The Standing Orders Committee desired to do away with all this circumlocution, and advisedly struck out those provisions which caused delay. The Standing Orders Committee, in effect, said, "We do not wish to waste time, but to go straight on with the business; directly His Excellency's speech has been delivered the discussion shall be proceeded with; a motion shall be made directly relative to the speech, and there shall be no Committee of three or four honorable senators to consider the matter; no Committee of the whole and no report." That was the object of the standing order, and, therefore, when honorable senators refer to the practice of Parliaments, they must bear in mind that we intended to alter that practice. The House of Representatives has a similar standing order, and the intention in each instance was to alter the practice, and go straight on with the discussion, the avowed object being to avoid what were considered to be useless forms. I understand that difficulties have arisen, and, as our Standing Orders are really intended to facilitate the proceedings, I suggest that one of two courses be adopted — either that the Standing Orders be suspended, or that the senator who has been chosen to submit the motion shall submit it, and, after saying a few words, ask leave to continue his speech on a subsequent occasion. It is not for me to do anything but interpret the Standing Orders, and, strictly speaking, a motion ought to be submitted for an Address-in-Reply to His Excellency's speech.

Senator MILLEN.—If your suggestion, Mr. President, is to be adopted, I submit that the motion presented to the Chamber by the Minister of Defence should first be withdrawn.

The PRESIDENT.—I have ruled that the motion of the Minister of Defence is out of order.

Senator Lt.-Col. GOULD.—I understood that no ruling had been given.

The PRESIDENT.—Then I give the ruling now.

Senator Lt.-Col. GOULD.—The Minister of Defence might be permitted to withdraw his motion, and Senator Styles asked to submit his motion.

The PRESIDENT.—The motion of the Minister of Defence cannot be submitted, and, therefore, there is no necessity to withdraw it. I am quite clear that the practice adopted last session was wrong. My attention was not called to the matter at the time, or I should certainly have pointed out then that it was wrong.

Senator STYLES (Victoria) [3.23].—I have been asked, because, I suppose, I am the youngest member of the Senate, to move an Address-in-Reply to His Excellency's speech. I may say that I never heard or read a line of that speech until His Excellency delivered it a little while ago.

Senator Lt.-Col. GOULD.—Did the honorable senator not read his advance copy last night?

Senator STYLES.—I had no advance copy last night. I received an advance copy at my house this morning, and saw it for the first time about 10 o'clock, as I was leaving for town. Even an honorable senator with the great experience of Senator Gould would hardly undertake to deal "right off the reel" with a document of this kind, containing some thirty-six paragraphs. I shall ask leave to continue my speech on a subsequent occasion, but, in the meantime, I submit the following motion:—

That the following Address-in-Reply be presented to His Excellency the Governor-General:—

To His Excellency the Governor-General.

MAY IT PLEASE YOUR EXCELLENCY:

We, the Senate of the Commonwealth of Australia, in Parliament assembled, beg to express our loyalty to our Most Gracious Sovereign, and to thank Your Excellency for the speech which you have been pleased to address to Parliament.

I am unable now to speak at any length, and I ask by the indulgence of the Senate to be allowed to continue my speech on the next day of meeting.

Leave granted; debate adjourned.

PAPERS.

MINISTERS laid upon the table the following papers:—

Reports, with maps, of the Commissioners appointed to distribute the States of New South

Wales, Victoria, Queensland, and Western Australia into electoral divisions.

Return under the Immigration Restriction Acts.

Return under the Naturalization Act of the number of persons to whom certificates of naturalization are granted during the year 1905.

Amended Customs regulations Nos. 103 and 104, Statutory Rules 1906, No. 1.

Amended drawback regulations, No. 132—Jams, &c.—Statutory Rules 1906, No. 32.

Regulation under the Distillation Act relating to spirits for export, Statutory Rules 1906, No. 9.

Regulations under the Excise Act, tobacco, Statutory Rules 1906, No. 5, and drawback regulations, No. 50—Jams, &c.—Statutory Rules 1906, No. 33.

Amended Defence Act regulations governing the landing of foreign troops, &c., Statutory Rules 1905, No. 80.

Cadet Corp regulations, Statutory Rules 1906, No. 31.

Military Force regulations; paragraph 57, lieutenants—Statutory Rules 1905, No. 79; paragraph 216, addition of figures "214"—Statutory Rules 1906, No. 3; paragraph 130, alteration—Statutory Rules 1906, No. 4; paragraph 2A, Promotion Board—Statutory Rules 1906, No. 29; paragraph 128, age of retirement—Statutory Rules 1906, No. 30. Financial and Allowance regulations—Statutory Rules 1905, No. 77. Naval Forces; regulations and standing orders—Statutory Rules 1906, No. 20. Financial and Allowance regulations—Statutory Rules 1906, No. 21.

Notification of the acquirement of land under the Property for Public Purposes Acquisition Act 1901 at Armidale, New South Wales, as a site for a drill hall, at Bodangora and Gilgandra, New South Wales, at Gwalia, Western Australia, at Kadina, South Australia, at Kurri Kurri, New South Wales, and at Ryde, New South Wales, as sites for post-offices; at Mount Nelson, Hobart, Tasmania, and at Randwick and Singleton, New South Wales, for defence purposes; and at Sandy Bay, Tasmania, for rifle range purposes.

Pursuant to the Public Service Act, a list of the permanent officers of the Commonwealth Public Service, 1st January, 1906.

Recommendation, &c., and approval of the promotion of Messrs. O. S. Maddocks and H. D. Brown as inspectors, Department of Trade and Customs, Sydney, and appointment of Mr. E. F. Eberbach as draftsman to the Public Works Branch, Department of Home Affairs.

Amended regulations No. 104, grading of general division—Statutory Rules 1906, Nos. 2 and 14; No. 64, overtime in the general division—Statutory Rules 1906, No. 13; Nos. 163A and 164, special allowances—Statutory Rules 1906, No. 15. Numbers 48, 141 (B), 168, 196, 197, 258, Chief Officers, &c.—Statutory Rules 1906, No. 16. Nos. 48, 141 (B), 168, 196, 197, 258, Chief Officers, &c.; also Nos. 104, 163A, 164—Statutory Rules 1906, No. 28. Nos. 153 and 155, allowances—Statutory Rules 1906, No. 37. No. 199, telegraph messengers—Statutory Rules 1906, No. 38. No. 168, allowances—Statutory Rules 1906, No. 39.

Certificate under the Representation Act of the Chief Electoral Officer in regard to the numbers of the people of the Commonwealth and the several States.

SPECIAL ADJOURNMENT.

Motion (by Senator PLAYFORD) proposed—

That the Senate, at its rising, adjourn until Wednesday next at 2.30 p.m.

Senator WALKER (New South Wales) [3.35].—I understood that we were called together to despatch business. We come here on a Thursday, and we are immediately asked to adjourn for six days. As a consequence, one honorable senator who has travelled from Queensland proposes to go back to that State to-morrow, whilst two others will be returning to-night to New South Wales. We have had to make a journey of from 1,100 to 1,200 miles to do an hour's so-called work. I think that the adjournment should be only until to-morrow, by which time the proposer and seconder of the Address-in-Reply should be in a position to proceed with their speeches.

Senator PLAYFORD.—That was not done last year.

Senator WALKER.—I am not concerned about what was done last year, but I strongly protest against honorable senators being asked to travel so great a distance in order to remain here for one hour.

Senator STORY.—Let us adjourn for a fortnight.

Senator WALKER.—It would be better if we did adjourn for a fortnight, and I take the liberty of suggesting to the leader of the Senate that if he finds from time to time that there is not a great deal of business to be done it would be better to arrange for a lengthened adjournment. Last session I endeavoured to travel between Sydney and Melbourne every week, but that is not very good for one's health, and now when we have been here for only an hour an adjournment of the Senate is proposed. I enter my protest against such a motion, though it may be the last occasion on which I shall have an opportunity to do so. Some honorable senators have to go before their constituents, and may not be again returned to the Senate, and I make this protest on my own behalf and on behalf of my successors in the representation of New South Wales hereafter.

Senator PULSFORD (New South Wales) [3.37].—Not many minutes since

Senator McGregor was boasting of the possession of common sense by honorable senators on the other side. Here is an illustration of it, and an illustration, perhaps the honorable senator will say, of courtesy, as well as of common sense. In common with other honorable senators representing my State, I came all the way from Sydney to-day, only to find that we are now to separate, and to be asked to meet here again next Wednesday. If it was the intention of the Government that the Address-in-Reply to the Governor-General's speech should not be dealt with at present, a courteous intimation to that effect might have been conveyed to us, and we might have avoided the absurd and humiliating position in which we now find ourselves. I should like to hear from the leader of the Government in the Senate why we were called together on a Thursday instead of earlier in the week, when it would have been possible in the ordinary course of events to have adjourned over a day, and yet to have done a fair amount of work before our sittings terminated, and we caught our trains for the other States on the Friday. I think that I am justified in asking Senator Playford to give some explanation on this point. I can see no reason why the debate on the motion for the Address-in-Reply should not be resumed to-morrow morning at 10.30 a.m. I move as an amendment—

That all the words after "until" be left out, with a view to insert in lieu thereof the words "10.30 a.m. to-morrow."

Senator MACFARLANE (Tasmania) [3.39].—I beg to second the amendment. I intend to vote against the motion, but perhaps my object will be achieved by the course I am taking. I must enter a protest against this want of common sense in the conduct of the business of the Senate. It was known that the Government had a long speech prepared for the Governor-General to deliver, but the usual courtesy has not been shown to the Opposition. Did not the Government give their supporters a copy of the speech to look over?

Senator DAWSON.—The honorable senator is quite wrong.

Senator Lt.-Col. GOULD.—Did not the caucus see a copy yesterday morning?

Senator GUTHRIE.—Nothing of the kind.

Senator MACFARLANE.—Some of us travelled hundreds of miles through stormy seas to be here to-day, and now we are asked to adjourn. No business has been

done which could not have been done very much better if we had gone on with our work to-morrow. What is the business to be submitted after the Address-in-Reply has been adopted?

Senator PLAYFORD.—We have given notice concerning two Bills.

Senator MACFARLANE.—Are we going to have only a very small amount of business submitted?

The PRESIDENT.—I do not think that on this motion the honorable senator can discuss the whole course of business.

Senator MACFARLANE.—If we are going to have an adjournment, it is well that we should have some notice of the intention of the Government. It is very clear that there is very little business to go on with. Therefore it would be very much better for the Senate to adjourn for a fortnight after the Address-in-Reply has been adopted.

The PRESIDENT. — The honorable senator has seconded an amendment to adjourn the Senate until to-morrow morning, at half-past 10 o'clock.

Senator MILLEN (New South Wales) [3.41]. — In this matter I think that the convenience of the Senate as a whole should be consulted. For that reason, whilst indorsing the remarks of Senator Macfarlane, I do not propose to support the amendment, but to put before the Government the reasonableness of seeing that senators are not brought here week after week to do work which could be condensed into a very few days. That practice prevailed during the whole of last session. We were brought here on a Tuesday, and we simply fiddled through three or four days. We were brought here again in the following week to go through the same process, when we could reasonably have had an adjournment for one week, and condensed into the following week the work which was spread over a fortnight. I ask the Government to take a business-like view. If they have much business on hand, I am sure that the Senate will be prepared to meet and deal with it, but I suspect that the business with which Ministers are immediately prepared to proceed is nominal; that there is really no business ready yet for our consideration. In the circumstances, they would lose very little credit and dignity if they would frankly say that they were not yet prepared to proceed to work, and move the adjournment of the Senate

to a period when they would be prepared to submit some substantial work for its consideration. I indorse everything which has been said as to the unreasonableness of bringing senators from a long distance—in my own case something like 1,200 miles—to witness a proceeding which may be necessary, but which it was not absolutely essential that we should all attend. We came here to-day for an hour's formal function, and will return to our homes to come here again on Wednesday for the purpose of commencing business. Such a procedure does not assist the course of legislation in any way; it does not benefit the country in the slightest degree, but it does greatly inconvenience honorable senators in very many ways.

Senator HIGGS.—But if the Government had proposed to go right on with the debate on the Address-in-Reply, would not the honorable senator have asked for time to consider the Governor-General's speech?

Senator MILLEN.—No. The course of the Government was plain. I naturally expected that whatever adjournment might take place, it would not be beyond to-morrow, and that we would then go on with business, and probably conclude the debate on the Address-in-Reply, leaving next week free for the business which the Government should be prepared to submit. I take it that the Government have no business ready, and, therefore, they wish to make the debate on the Address-in-Reply carry us over next week, and so fill in time. It is the marking of time that I object to. I am prepared to attend here and do any work which the country calls for, and which the Government are prepared to submit for our consideration, but I absolutely object to come over here week after week merely to trifle with time and make an appearance of doing work, when we know perfectly well that there is no work to be done. I put it to the Government that they can reasonably consider the arguments which have been advanced here to-day, and which were advanced here last year—that when there is solid work to be done they should bring us over for the whole of a week if necessary, but that when there is practically no work to be done they might reasonably say we will propose an adjournment until such time as a meeting of the Senate is necessary. That is not an unreasonable request.

Senator MULCAHY.—Which will tend to make the Senate merely a House of review.

Senator MILLEN.—That interjection is very wide of the mark. The Senate would be no more a House of review if it did its work in five continuous days than if it took a fortnight for the purpose.

Senator MULCAHY.—We ought to have work prepared for us.

Senator MILLEN.—I agree with the honorable senator, but I am not responsible for the want of work. It is an obligation resting upon the Ministry to see that work is ready, but if they do not recognise the obligation, they should not penalize us in consequence.

Senator MULCAHY.—Then we ought to adjourn for a month.

Senator MILLEN.—That is exactly my contention—that the Senate should not be called together when there is no work for it to do. If it is seen that for the next fortnight, three weeks, or a month, there is only a week's work to be done, it is useless to bring us here for three or four weeks to do that work. Let us do the week's work in a week.

Senator DAWSON.—How are you going to judge a week's work?

Senator MILLEN.—By the experience of last session.

Senator DAWSON.—Continuous talk and no work.

Senator MILLEN.—We have only to turn to the records to find there ample justification for what I am stating. Honorable senators on that side objected time and again to an adjournment when it was proposed from this side. But when we came over here next week, what happened? On a Tuesday we would adjourn at the dinner hour, and meet next day to do half-a-day's work.

Senator PLAYFORD.—That has been the case from the very start of this Parliament.

Senator MILLEN.—Suppose that it has been, is it any justification for continuing the process, and bringing us here for two days in order to do one day's work?

Senator PLAYFORD.—We do not know how long it will take to do a day's work.

Senator MILLEN.—The honorable senator knows, from his long experience, what work he has in hand, and how long it will take to deal with it. The fact remains that last session the Government never had enough work for us to do, and Ministers were not honest enough to stand up and tell the country that that was the reason they were calling us together every Tues-

day—to do what?—merely to adjourn at the dinner hour. That is all I object to. If the Government have work to do, I shall be here to do my share of it, but on the other hand if there is no work to submit I shall certainly protest against being called upon to come over here for four weeks merely to do work which could be condensed into a week or a fortnight.

Senator FRASER (Victoria) [3.48].—I am very sorry indeed that the senators from other States have been brought here almost to no purpose. It is very cruel to ask them to travel 1,200 miles only to find that there is really nothing for them to do, and that the mover of the Address-in-Reply is not yet ready to proceed with his speech. I hope that in the remaining few months of this Parliament the Senate will either have work to do when it meets, or will not be called together until there is work to be done. Surely there is some work which we could do. At the same time, I do not think that the amendment should be pressed to a division.

Senator CLEMONS.—Why not?

Senator FRASER.—I am not inclined to whip the Government just at present.

Senator PLAYFORD.—The honorable senator would drive them fast enough if he could.

Senator FRASER.—I would whip the Government fast enough if I saw good reason, but I think that the course which they are pursuing has been taken before.

Senator Sir JOSIAH SYMON.—No.

Senator FRASER.—To some extent, at any rate. I feel that it is very hard upon honorable senators who have come such a long way to be called upon to go back without even the Address-in-Reply having been dealt with. If it were to be dealt with to-morrow I think there would not be so much cause to complain of the proposed adjournment.

Senator Sir JOSIAH SYMON (South Australia) [3.50].—I am greatly influenced by what Senator Fraser has said in respect of dealing tenderly with the Government on this the first day of the session. We have not met my honorable friends at the table for some months, and whilst they deserve, as Senator Fraser said, whipping, I think that the tendency will be to let them off on this the first occasion with the warning which Senator Millen has so vigorously administered to them. Ordinarily, one is not disposed to interfere with the Government arrangement of business;

certainly not on the first day of the session. From that point of view, I am not disposed to object further to the arrangement which they suggest, but I concur in every word of the protest that has been uttered. To my mind, the protest is most opportune in every way. It is not worthy of the dignity of the Senate that such a state of things should exist—a state of things that we complained of over and over again last year, a relegation literally of the Senate into a secondary position, a sort of stop-gap House that meets for only an hour or two occasionally. Last year the great difficulty with those who live in other States was that they never knew whether when they came over the business of the Senate would occupy one day or two days, or whether they might not be sent home the next day.

Senator Lt.-Col. GOULD.—Or what business would be taken.

Senator Sir JOSIAH SYMON.—Or very often what business would be taken. It caused great inconvenience; it caused very often irregularity in attendance, because we arrived at conclusions as to the important business to be taken. Perhaps we communicated with the leader of the Senate, as I have sometimes done, and had communications with other senators, but very often senators decide that sort of thing for themselves, and perhaps are absent when very important business comes on. I recollect an instance in connexion with the Trade Marks Bill. Senator Gould, who took a great interest in one portion of the measure, was absent at a time when it was not expected to come on, and, in consequence of his absence, he had to take special measures later on in order to give effect to his views. I do not wish to embarrass my honorable friends at the table in any way, or to interfere with the arrangements which they make, but I do put it to them very strongly that they should systematically arrange the business to be taken, so that when the Senate assembles on a Tuesday or Wednesday it shall have full occupation for the whole of the week. There is no difficulty about that if Ministers have business to submit. I think that honorable senators who have come from a great distance have a right to complain that a definite intimation was not given to them that there would be no sitting to-morrow.

Senator PLAYFORD.—It was given to the honorable and learned senator.

Senator Sir JOSIAH SYMON. — My honorable friend is mistaken. I wrote to

him, and asked what the course of business was to be, and he courteously replied that he proposed to adjourn until Wednesday, but he did not think that he would be able to adjourn over Friday. I met him afterwards, when he explained that probably we should sit on Friday, but resume on Wednesday. It was for that reason that I came over here to-day.

Senator MULCAHY.—The Minister could not answer for that.

Senator PLAYFORD.—I said that I was going to propose to sit on Wednesday, but that if the Senate insisted upon sitting on Friday I could not help it.

Senator Sir JOSIAH SYMON.—I am not blaming my honorable friend. All I say is that if he had given me a definite intimation that he was going to ask the Senate not to sit on Friday I should have accepted that, because, although I know the Government have little or no control over the business of the Senate or the business of the country, still I suppose that he would not give an intimation of that kind without some belief that it would be carried out. If he had done that I should not have had the pleasure of being here to-day, but he did not. I am not blaming him at all, but when he interjected just now that I knew, I reply that it was the very thing I did not know. It is no satisfaction to me, or any one else, to come over here from a long distance for an hour, greatly as we enjoy the ceremonial of opening Parliament, and to return in the afternoon, or else kick up our heels here to-morrow. I ask Senator Pulsford not to press the amendment. But I do say that as this is the last session of this Parliament we ought to have some information from my honorable friends the members of the Government in the Senate as to the business that will be brought before us; and we should have a promise that we shall not be brought 500 or 600 miles, or whatever the distance may be, to transact business, and then have to go away again the next day, or have an adjournment taking place at the dinner hour, instead of continuing to the ordinary hour for concluding our sittings. If my honorable friend could give an undertaking of that sort, there would be a much better attendance. I am sure that my honorable friend will, from his own long parliamentary experience, admit that it is desirable that there should be a definite programme of continuous work for the Senate to do; and I am also certain that if

he adopts that course he will assist in maintaining the dignity and the importance of the Senate. Our importance has, in my opinion, simply been frittered away by the method adopted last year. With the protest which we have made against the way business has been conducted, I think that my honorable friend's motion may be assented to.

Senator CLEMONS (Tasmania) [3.58].

—It is a pity that the leader of the Senate, when he moved this motion, did not intimate for whose convenience he submitted it. It seems to me that it must be either for the convenience of the intended mover and seconder of the Address-in-Reply or for the convenience of the Government. We on this side of the Chamber might very probably look upon the motion in a different way if the leader of the Government had simply said to us frankly, "It is convenient from our point of view to adjourn the debate on the Address-in-Reply until next Wednesday." If the Minister had said that, we should have had nothing to urge in objection to the course proposed, in spite of the personal inconvenience to ourselves. But if, on the other hand, it is a matter of the convenience of the mover and seconder of the Address-in-Reply, I think that the Senate may well hesitate before it decides to adjourn till Wednesday. Every one of us knows that the Address-in-Reply is to be debated in the other House to-morrow; and it seems to me that we are drawing a very invidious distinction between the ability and readiness of the Senate and of the other House if, when it is ready to go on with business, we are not. If the other House had adjourned, we might have done so also; but, as it is going on with business, it seems to me that we ought to follow its example. I should like to say a word as to the inconvenience to which I, in common, I suppose, with most members of the Senate, have been subjected with regard to this proposed adjournment. It is quite obvious that many of us from States remote from Victoria would not have come here to-day if we had known that after an hour's formal business the Senate was to adjourn until next week. I certainly should not have come. I came fully believing—not having the slightest doubt, indeed—that we should, at any rate on Friday, proceed with the Address-in-Reply. I wanted to be here for that purpose. Senator Playford gave, so far as I am aware, no intimation, to me or to any other

senator from Tasmania, that there would be no work for the Senate this week, and I think that I have a fair right to make a complaint on that subject. I do not know what degree of courtesy the Minister may think is due to the members of the Senate; but, at any rate, if I had known that no business was to be transacted this week, it would have saved me from the necessity of spending a whole week in Melbourne, which I am now compelled to do. I hope that before this motion is put Senator Playford will frankly tell the Senate for whose convenience we are going to adjourn. It will make a difference. If it is for the convenience of the Ministry, and he will frankly say so, I shall not support the amendment or vote against the motion. But if I am told that it is to suit the convenience of the senators who are to move and second the Address-in-Reply, I shall not vote for the motion, because I do not think there is anything to prevent those senators from proceeding to-morrow; and by going on we shall certainly save time.

Amendment negatived.

Senator PLAYFORD (South Australia—Minister of Defence) [4].—I desire to say a word or two in reply before the motion is put, and I will be perfectly frank with those honorable senators who have asked me questions. I have been asked whether this adjournment has been moved in the interest of the senators who are to move and second the Address-in-Reply, or for the convenience of the Government. So far as I know, it is neither for the convenience of the Government, on the one hand, nor of those honorable senators on the other. I looked up the proceedings of the Senate in times gone by, and I found that when it was asked to sit on a Friday for the purpose of taking the discussion on the Address-in-Reply, it met at half-past 10, and adjourned at 11. Some senators wished to catch trains or steamers, and there was nothing done.

Senator Sir JOSIAH SYMON.—Parliament was never called together on a Thursday before.

Senator PLAYFORD. — No. We always met on a Wednesday on previous occasions, but in this case we have met on a Thursday. I had nothing to do with the fixing of the day. It was fixed by my colleagues without any consultation with me. When it was fixed for Thursday, I looked into the matter, and concluded that it would be useless to ask honorable senators to meet the Friday, when in all probability so

many of them would want to go away. That was the experience on previous occasions. Therefore, when the leader of the Opposition wrote to me and asked what I proposed to do, I replied that I did not propose to ask the Senate to sit on the Friday, but that I was in the hands of the Senate, and could not make a definite statement. But I took care to let the press know what I proposed to do. In Adelaide, only last Saturday, the press was informed—and communicated the information to the press of the Commonwealth—that it was not proposed to ask the Senate to sit on Friday. I saw an announcement to that effect in the Adelaide newspapers last week. I also saw it in the Melbourne newspapers.

Senator MILLEN.—The Sydney newspapers had the announcement that the Senate would adjourn until to-morrow.

Senator PLAYFORD.—Then they were wrong.

Senator MILLEN.—Why did not the Minister allow an official of the Senate to inform honorable senators what was to be done?

Senator PLAYFORD.—I had no right to do more than I did. It is for the Senate to say when it will meet. It is for me to propose what I think will be best under the circumstances, but the Senate decides what it will do, irrespective of me.

Senator Sir JOSIAH SYMON.—If the honorable senator had intimated that he would move such a motion many honorable senators would not have come here to-day.

Senator PLAYFORD.—I did the best I could under the circumstances. I am always quite willing to do all I possibly can to facilitate honorable senators, and to suit their convenience, if they will only ask me what I intend to propose. Surely they will take the trouble to ask me.

Senator MILLEN.—The honorable senator will never give us a definite answer.

Senator PLAYFORD.—I do whenever I can; but I cannot fix these things definitely. I can only say what I propose to ask the Senate to do. The fixing of such arrangements is within the province of the Senate.

Senator CLEMONS.—Would it be inconvenient to the Minister to go on with business to-morrow?

Senator PLAYFORD. — Not in the slightest degree. It was because I believed it would be merely wasting time to ask the Senate to sit to-morrow—and I arrived at that conclusion from what had been done before under similar circumstances—that I

asked for an adjournment until Wednesday. As to the statement which has been made relating to keeping business before the Senate, and not bringing senators to Melbourne unless there is work to keep them continuously employed, what I have to say is this: I can never tell for certain how much time a particular piece of business will take to transact. Suppose I have a Bill down for its second reading. I assume that it will be debated after the second reading has been moved. Perhaps I guess that this will take a short time, but to my astonishment I find that there is a long discussion upon it. Or perhaps I expect that a long discussion will take place upon a Bill, and it is disposed of in a few hours. How can I help that? I can never tell what the Senate will do. I can form an estimate, but I can never be certain as to whether any particular piece of business will give rise to a long or a short discussion. How is it possible for me to give a definite answer to the question very properly put by Senator Milten? How can I tell what the Senate will do? It may take up a piece of work and do it expeditiously, or it may take a longer time than I estimate.

Senator MILLEN.—The Government have never accused us of undue expedition.

Senator CROFT.—Honorable senators opposite have never deserved it.

Senator PLAYFORD.—There are certain Bills which it would be convenient to introduce into the Senate, and which I would gladly introduce here if I could. But I cannot. The Constitution prevents me.

Senator Sir JOSIAH SYMON.—When does the Government propose to bring in the Bill to amend the Tariff?

Senator PLAYFORD.—I cannot say at the present moment. There are several Bills which it is simply impossible for me to bring before the Senate until they have been passed by the House of Representatives, because they are money Bills. There is a certain measure that was rejected by the Senate last session. I should like to re-introduce it, in order to obtain a decision upon it instead of its having to be re-introduced in the other place, discussed at length, and then brought up to the Senate. But I cannot do that. I refer to the Bill with regard to the survey of the railway from Port Augusta to Kalgoorlie.

Senator Sir JOSIAH SYMON.—Surely the Government is not going on with that measure this session?

Senator PLAYFORD.—Yes; it is in our programme. The honorable senator cannot have studied the Governor-General's speech or he would have known that we intend to deal with that important measure, which is of considerable interest to the State which he represents. There is another Bill which I should be happy to bring before the Senate to-morrow, if I could. I refer to the measure which the Government intend to introduce to increase the number of the Judges of the High Court. I should like to enable the Senate to say at an early date whether the Court shall be strengthened by the addition of one extra Judge or two, and whether the salaries shall be maintained as under the present Act of Parliament. But I cannot do it. The Constitution does not permit that Bill to be introduced in the Senate. We have to wait for such Bills until they have been dealt with by another place. I have every sympathy with those honorable senators who have to travel long distances, and am sorry that they should suffer any inconvenience. I will not bring them here, if I can help it, until I know that I have a fair amount of work to keep them engaged three days a week. But the question of the hour when the Senate shall adjourn, and on what days it shall sit, is for the Senate itself to decide. It is not for the members of the Government to say, except so far as they have a voice as members of the Senate.

Senator Sir JOSIAH SYMON.—Why not bring forward the motion with regard to the redistribution of seats?

Senator PLAYFORD.—No; I think that is a matter especially affecting the other branch of the Legislature, and as such ought not be introduced here. It would be a great mistake to do so.

Senator Sir JOSIAH SYMON.—We have to assent.

Senator PLAYFORD.—Yes, but I contend that where the Senate is interested especially in a particular question, the other House should give way to our wishes, and that where the House of Representatives is specially interested, it is our duty to give way, and we certainly ought to do so in regard to a redistribution of seats, unless we have strong grounds for acting otherwise.

Senator MULCAHY.—Surely it is not our duty to "give way."

Senator PLAYFORD.—It is our duty to give way to their special wishes in such a matter, unless we have strong grounds for taking a contrary course. Although this Chamber is not precluded by the Constitution from initiating legislation for a redistribution of seats, I think that, above all, the motion dealing with that matter ought to be introduced in another place. I promise honorable senators to do the best I can to keep them at work when they meet again, and, if necessary, to adjourn for a week or a fortnight in preference to calling them together for, it may be, only one day's work. If honorable senators will confer with me, and give me something like an idea as to how long they propose to speak on certain measures, I shall be able to form some opinion as to the time likely to be occupied, and in a better position to meet their wishes.

Senator Sir JOSIAH SYMON. — Will the Minister for Defence kindly mention if there are any proposals in His Excellency's speech which can be introduced in the Senate?

Senator PLAYFORD. — There are the two Bills of which I have given notice.

Senator Sir JOSIAH SYMON.—But excepting those two Bills?

Senator PLAYFORD.—I do not know at present of any other measures. I think there are several more, but I am not acquainted with them.

Question resolved in the affirmative.

Senate adjourned at 4.12 p.m.

House of Representatives.

Thursday, 7 June, 1906.

PROCLAMATION.

The House met at 2.30 p.m., pursuant to the proclamation of His Excellency the Governor-General.

Mr. SPEAKER took the chair.

The CLERK read the proclamation.

Mr. SPEAKER read prayers.

OPENING OF PARLIAMENT.

The USHER OF THE BLACK ROD, being announced, was admitted, and delivered the message that His Excellency the Governor-General desired the attendance of honorable members in the Senate chamber.

Mr. SPEAKER and honorable members attended accordingly, and having returned,

AUSTRALIAN INDUSTRIES PRESERVATION BILL.

Sir WILLIAM LYNE (Hume—Minister of Trade and Customs) — [2.54]. — I move—

That leave be given to bring in a Bill for an Act for the preservation of Australian industries, and for the repression of destructive monopolies.

I may mention that I move the motion at this stage to maintain the privileges of the House.

Question resolved in the affirmative.

Bill read a first time.

Mr. ROBINSON.—When will the Prime Minister give us the digest of the anti-trust laws of the United States, which he promised six months ago?

Mr. DEAKIN.—The necessary information is ready, and will be laid on the table at the earliest moment.

PAPERS.

MINISTERS laid upon the table the following papers:—

Reports, with maps, of the Commissioners appointed to distribute the States of New South Wales, Queensland, Victoria, and Western Australia into electoral divisions.

Ordered to be printed.

Return under the Immigration Restriction Acts, showing—

- (a) Persons refused admission to the Commonwealth during the year 1905.
- (b) Persons who passed the prescribed test during the year 1905.
- (c) Persons admitted without being asked to pass the Education test during the year 1905.
- (d) Departures of coloured persons from the Commonwealth during 1905.

Return under the Naturalization Act of the number of persons to whom certificates of naturalization were granted during the year 1905.

Amended Customs regulations Nos. 103 and 104, Statutory Rules 1906, No. 1.

Amended drawback regulations, No. 132—Jams, &c.—Statutory Rules 1906, No. 32.

Regulation under the Distillation Act relating to spirits for export—Statutory Rules 1906, No. 9.

Regulations under the Excise Act, tobacco—Statutory Rules 1906, No. 5; and drawback regulations, No. 50—Jams, &c.—Statutory Rules 1906, No. 33.

Amended Defence Act regulations governing the landing of foreign troops, &c.—Statutory Rules 1905, No. 80. Cadet Corps regulations—Statutory Rules 1906, No. 31.

Military Force regulations; paragraph 57—lieutenants—Statutory Rules 1905, No. 70; paragraph 216—addition of figures "214"—Statutory Rules 1906, No. 3; paragraph 130—alteration—Statutory Rules 1906, No. 4; paragraph 24—

Promotion Board—Statutory Rules 1906, No. 29; paragraph 128—age for retirement—Statutory Rules 1906, No. 30. Financial and allowance regulations—Statutory Rules 1905, No. 77.

Naval Forces: regulations and standing orders—Statutory Rules 1906, No. 20. Financial and Allowance regulations—Statutory Rules 1906, No. 21.

Notifications of the acquirement of land under the *Property for Public Purposes Acquisition Act* 1901 at Armidale, New South Wales, as a site for a drill hall, at Bodangora and Gilgandra, New South Wales, at Gwalia, Western Australia, at Kadina, South Australia, at Kurri Kurri, and at Ryde, New South Wales, as sites for post-offices; at Mount Nelson, Hobart, Tasmania, and at Randwick and Singleton, New South Wales, for defence purposes; and at Sandy Bay, Tasmania, for rifle range purposes.

Pursuant to the Public Service Act, a list of the permanent officers of the Commonwealth Public Service, 1st January, 1906.

Recommendation, &c., and approval of the promotion of Messrs. O. S. Maddocks and H. T. Brown, as inspectors, Department of Trade and Customs, Sydney; and appointment of Mr. E. F. Eberbach as draftsman to the Public Works Branch, Department of Home Affairs.

Amended Regulations, No. 104, grading of general division—Statutory Rules 1906, Nos. 2 and 14. No. 64, overtime in the General Division—Statutory Rules 1906, No. 13; No. 163A and 164—special allowances—Statutory Rules 1906, No. 15; Nos. 48, 141 (B), 168, 196, 197, 258—Chief Officers, &c.—Statutory Rules 1906, No. 16; Nos. 48, 141 (B), 168, 196, 197, 258—Chief Officers, &c.; also Nos. 104, 163A, 164—Statutory Rules 1906, No. 28. No. 153 and 155—allowances—Statutory Rules 1906, No. 37. No. 199—telegraph messengers—Statutory Rules 1906, No. 38. No. 168—allowances—Statutory Rules 1906, No. 39.

Certificate under the Representation Act of the Chief Electoral Officer in regard to the numbers of the people of the Commonwealth and the several States.

COASTAL DEFENCE.

Mr. HIGGINS.—I wish to know from the Minister representing the Minister of Defence what steps, if any, are being taken, pending the report of the Imperial Defence Committee, to provide suitable coastal defence for Australia?

Mr. EWING.—I will reply to the honorable and learned member's question to-morrow, if I can.

GOVERNMENT HOUSES: SYDNEY AND MELBOURNE.

Mr. JOHNSON.—Will the Prime Minister inform the House what decision, if any, has been arrived at, in regard to the demand made by the Premier of Victoria for rent for the use of Government House, Melbourne, during its occupation by the Governor-General, and whether the Premier of New South Wales has made a

similar demand in regard to Government House, Sydney?

Mr. DEAKIN.—To answer the questions in inverse order, the Premier of New South Wales has made no such demand. On the contrary, I believe—although I have not seen the document—that a further lease of Government House, Sydney, has been signed without any such condition as that indicated. In respect to Government House, Melbourne, the correspondence which is still passing will be laid on the table of the House next week.

Mr. McDONALD.—In view of the demand made by the Premier of Victoria for a rental of £3,000 per annum for Government House, Melbourne, will the Government consider the advisableness of taking the steps necessary to enable His Excellency the Governor-General to reside in Sydney and to fulfil the duties of his position there?

FEDERAL CAPITAL SITE.

Mr. JOSEPH COOK.—I understand that the Premier of New South Wales has forwarded to the Government some reports concerning additional proposed sites for the Federal Capital. I should like to know whether the Prime Minister has any objection to laying the reports on the table?

Mr. DEAKIN.—I have no objection. In fact, I hope to be in a position to lay them on the table of the House to-morrow, together with certain correspondence which has not yet been published. The resolutions passed by both Houses of the New South Wales Parliament at the close of last session were communicated to this Government, and we asked for information as to the grounds upon which the resolutions were passed. This was received and replied to, and two further letters have been exchanged. I propose to lay the correspondence, as well as the plans and papers relating to the proposed new sites, before the House to-morrow.

Mr. JOHNSON.—I desire to ask the Prime Minister whether he intends to afford members an early opportunity to consider the question of the Federal Capital Site?

Mr. DEAKIN.—As the honorable member knows, a paragraph appears in the speech of His Excellency the Governor-General—

Mr. JOHNSON.—It is right away down at the bottom.

Mr. DEAKIN.—What the honorable member calls the bottom is that portion of the speech which relates to the business that it is proposed to bring before the House during the coming session. The first portion of the speech necessarily deals with the past. The latter portion with the future, and the position which the paragraph occupies does not indicate that the question of the Federal Capital Site will be introduced after the measures referred to at an earlier stage of the speech. After the plans, which were received only yesterday, have been laid on the table and the House has been placed in possession of all other available information on the subject, we shall be ready to proceed.

COMMERCE ACT ADMINISTRATION: BUTTER INDUSTRY.

Mr. FULLER.—I desire to ask the Minister for Trade and Customs whether any of the butter factories in New South Wales are at present making butter unfit for export, and, if so, whether he will lay on the table the official report showing that to be the case?

Sir WILLIAM LYNE.—I am not aware that any butter factories in New South Wales are making butter unfit for export, but I shall make inquiries.

Mr. FULLER.—In view of what the Minister is doing, I want to know.

Sir WILLIAM LYNE.—I am not aware that any factories are doing what the question of the honorable member seems to suggest.

Mr. FULLER.—I think that the Minister misunderstood my question. I did not suggest that any butter factories in New South Wales were manufacturing butter unfit for export, but I wish to know whether in view of the action recently taken by the Minister he has any official information, and whether he will present it to the House?

Sir WILLIAM LYNE.—I shall make inquiries as to whether there is any official information on the subject, and lay it on the table.

Mr. FULLER.—Surely the Minister must know whether he has any official warrant for the action he has taken?

Sir WILLIAM LYNE.—I certainly concluded from the honorable member's question that he had obtained some information of a character indicated.

EXTENSION OF BOOKKEEPING PERIOD.

Mr. CARPENTER.—I desire to ask the Treasurer whether any decision has been arrived at with regard to the extension, or otherwise, of the bookkeeping period provided for in the Constitution, and, if so, whether he will communicate it to the House?

Sir JOHN FORREST.—I have nothing to communicate at present.

Mr. FRAZER.—In view of the reply given by the Treasurer, which appears to me to be unsatisfactory, I should like to know if the Prime Minister is in a position to indicate when the Government will make up their minds upon this important matter?

Mr. DEAKIN.—The honorable member cannot have refreshed his memory by looking at the Constitution. The existing provision continues until altered. Before any alteration is made a definite proposal must be brought forward by any Government which desires to change it.

Mr. FRAZER.—Exactly. We want to know whether the Government propose to alter the present conditions?

Mr. DEAKIN.—That is whether they propose to make a proposal?

Mr. FRAZER.—Yes.

VICTORIA-TASMANIA MAIL SERVICE.

Mr. STORRER.—I wish to ask the Acting Postmaster-General whether he has any objection to lay on the table the correspondence which has passed between the Tasmanian Government and the Commonwealth authorities with reference to the alteration of the mail service between Victoria and Tasmania?

Mr. EWING.—I have no objection.

TRADE WITH NEW HEBRIDES.

Mr. HENRY WILLIS.—I desire to know from the Prime Minister whether the Government will introduce a Bill or otherwise make provision for the introduction of the products of the New Hebrides into the Commonwealth free of duty?

Mr. DEAKIN.—No such proposition can be submitted by the Government at the present time, but in the course of the consideration which the Prime Minister of New Zealand and the members of this Government have been giving to questions relating to the New Hebrides, the necessity for rendering the best assistance we

can to British settlers engaged in cultivating the lands of those islands has been given attention. Proposals will be made in connexion with the Convention proposed in London relating to the future government of the islands.

RECIPROCITY BETWEEN NEW ZEALAND AND THE COMMONWEALTH.

Mr. KING O'MALLEY.—I wish to ask the Minister for Trade and Customs whether, in drafting the proposed reciprocity treaty between New Zealand and the Commonwealth, he will exclude potatoes from the list of articles in respect of which preference is to be given to New Zealand imports?

Sir WILLIAM LYNE.—The matter to which the honorable member refers, and other similar matters, are being taken into consideration at the present time.

GOVERNOR-GENERAL'S SPEECH: ADDRESS-IN-REPLY.

Mr. SPEAKER.—I have to report that I have attended in the Senate Chamber, where His Excellency the Governor-General was pleased to deliver his opening speech, of which, for greater accuracy, I have obtained a copy.

Motion (by Mr. DEAKIN) agreed to—

That a Committee, consisting of Sir Langdon Bonython, Mr. Chanter, Mr. Kennedy, and Mr. Storrer, be appointed to prepare an Address-in-Reply to the speech delivered by His Excellency the Governor-General to both Houses of the Parliament.

That the Committee do report this day.

The Committee retired, and, having re-entered the Chamber, presented the proposed address, which was read by the Clerk, as follows:—

MAY IT PLEASE YOUR EXCELLENCY:

We, the House of Representatives of the Parliament of the Commonwealth of Australia, in Parliament assembled, beg to express our loyalty to our Most Gracious Sovereign, and to thank Your Excellency for the speech which you have been pleased to address to Parliament.

Sir LANGDON BONYTHON (Barker)—I move—

That the Address-in-Reply to His Excellency's speech as read by the Clerk be agreed to by the House.

I suppose that His Excellency's speech contains nothing that will surprise those who have carefully followed the addresses which the Prime Minister has delivered during the recess. It certainly presents a very

long programme of work—long enough, I am afraid, to occupy, not merely three months, but three years. As the present session must necessarily be a short one, for the simple reason that it will be followed by the elections, I hardly see how we shall be able to accomplish all that the Government propose to ask us to do. At the last elections I declared myself to be in favour of fiscal peace; but I imagine that the period during which fiscal peace was possible has now come to an end. If that be so, I must say that I now have to proclaim myself a militant protectionist. I take it for granted that this House will give effect to the reports which come to us with the unanimous approval of the Tariff Commission. But I would ask, "What will be done with the reports which do not command the unanimous approval of that body?" I suppose that we shall get such reports, and if they are not dealt with, will not that fact create unrest in trade and commerce? If they relate to matters of urgency, I am disposed to think that such will be the case. I regret very much indeed that it has not been possible to establish trade relations with Great Britain on a preferential basis, but I sincerely hope that the Government will succeed in giving effect to a reciprocal treaty with New Zealand. Such a treaty would prove of great advantage to the sugar industry, especially if, as suggested by Mr. Seddon, the Australian product be admitted into New Zealand free, whilst duty is collected upon sugar going into that country from all other parts of the world.

Mr. WILKS.—Is the honorable member a militant protectionist in the light of that statement?

Sir LANGDON BONYTHON.—South Australia will also be interested in such a treaty, because New Zealand will provide a market for many of her products, especially for her wine, salt, and flour. It is highly satisfactory to know that South Africa made a favorable response to the Commonwealth proposals for reciprocity in trade, and it would be foolish indeed on our part if we did not utilize the opportunity of securing for ourselves a preferential market for some of our most important exports. I notice that the Under-Secretary of State for the Colonies, Mr. Winston Churchill, at a Western Australian dinner in London the other day declared himself in favour of preference as between the dependencies of the British Empire. Now,

if preference as between dependencies be good, would it not also be good, as a means of drawing trade relations closer, that there should be preference between the Colonies and the mother country?

Mr. McWILLIAMS.—Upon the hustings the Under-Secretary of State for the Colonies was one of the most bitter opponents of preferential trade.

Sir LANGDON BONYTHON.—I notice that under present conditions Australian trade with British Possessions has a tendency to increase, and under a system of intercolonial reciprocity, such as is suggested by the Under-Secretary of State for the Colonies, that movement would certainly be accelerated. Whilst the trade between the Colonies has a disposition to grow, the trade between the mother country and the Colonies tends to a diminishing ratio, only to some extent held in check by the voluntary concessions of preference which have been made by Canada, South Africa, and New Zealand.

Mr. JOHNSON.—That statement is not borne out by the official statistics in the Blue Book.

Sir LANGDON BONYTHON.—It is borne out by *Coghlan*, and *Coghlan* is said by many to be as infallible as Holy Writ. I have here some figures showing the value of the imports into the Commonwealth from the United Kingdom. In 1881 these imports were valued at £21,131,869; in 1891, at £26,433,841; in 1901, at £25,296,677; and in 1903, at £19,855,340. Let me say at once that 1903 was a bad year, both for our exports and imports. It is to be deplored that the trade between Australia and the mother country should be diminishing. The following testimony upon this point is borne by *Coghlan*:—

One third of all the goods now imported into Australia may be said to be of non-British origin, as compared with one-fourth ten years ago.

In 1891 our imports from foreign countries amounted to only £6,927,941, whereas in 1903 the total was £12,975,251. From the United States the imports included boots, agricultural implements, leather, machinery, metal manufactures, vehicles, and tools of trade, while from Germany we obtained wearing apparel, dynamite, candles, fancy goods, pianos, machinery, metal manufactures, piece goods, and manures. Under adequate protection we hope, of course, to produce more of these things ourselves, but of the outside trade the larger share should go to Great Britain, and under

a system of preference this would certainly be the case. I must say that I am not surprised to find that the Government have already taken action with regard to the introduction of an Anti-Trust Bill. Evidence appears to be accumulating that a measure of that sort is necessary in the interests of the producer and consumer alike. There is no doubt that the great power wielded by the trusts of America is largely due to the fact that the railways there are in private hands. Fortunately that is not the case in Australia, and although that fact has an important bearing on local monopolies it does not, it seems to me, obviate the necessity for legislation dealing with trusts which have their headquarters in other countries. I am very pleased, indeed, to read that a Bill is being prepared for the protection of Australian policy-holders in foreign life assurance companies carrying on business in the Commonwealth. But I am not sure that such a measure will go far enough. I am disposed to think it would be wise so to legislate as would prevent, by anticipation, the abuses which have created such appalling scandals in America. Whilst I say this, I would like to add that I think the assurance companies in Australia include some of the best-managed companies in the world. There is one clause in the vice-regal speech which possesses a special interest for South Australia — I refer to clause 4—which reads—

The South Australian Government forwarded to Ministers resolutions from its Legislative Assembly, offering the Northern Territory to the Commonwealth upon certain terms. Correspondence is now proceeding, which, it is anticipated, will lead to a formal offer being made. All papers in the matter will be laid before you.

I may say that during the debate on the Address-in-Reply to the Governor-General's speech at the opening of the first Federal Parliament, I declared myself in favour of the transfer of the Northern Territory to the Commonwealth. I have seen no reason to change that opinion in the meantime, although there has been some vacillation on the subject in South Australia. The reason I have always held that view is, that the administration of the Territory is controlled, not by the Parliament of South Australia, but by the Parliament of the Commonwealth. It is the legislation of the higher Parliament which determines its management, and under these circumstances, I think that the sooner the Terri-

tory is taken over by the Commonwealth the better it will be for all concerned. When the first Federal Parliament met an offer of the Territory had been made to the Commonwealth, provided terms could be arranged. I believe that you, Mr. Speaker, as Premier of South Australia, were instrumental in making that offer. The head of the first Commonwealth Government, Sir Edmund Barton, was prepared to proceed with the negotiations, but South Australia changed its attitude, and, as a consequence, nothing has resulted. But last year an altered spirit was manifested in that State, and a long discussion took place in the House of Assembly in regard to the matter upon a motion submitted by Mr. V. L. Solomon. That motion was carried, but not quite in the form in which it was introduced. In the form in which it was carried it directed the Government to re-open negotiations with the Commonwealth Government with a view to ascertaining the terms upon which the latter would be prepared to take over the Northern Territory. The resolution also directed that the conditions upon which the transfer would be allowed should be made clear to the Commonwealth Government. Those conditions are that all moneys spent by South Australia in connexion with the Northern Territory shall be repaid, that the Transcontinental Railway shall be constructed from the southern boundary of the territory to Pine Creek, that the railway, when made, shall follow as nearly as possible, the route of the overland telegraph line, and that upon arrangements for the transfer being completed the two Governments shall simultaneously start with the construction of the railway from each end.

Mr. THOMAS.—Is that all that South Australia requires?

Sir LANGDON BONYTHON. — That is all that she asks at present. The resolution, in the form in which it was originally introduced, contained another stipulation, namely, that the northern boundary of South Australia should be extended to the 22nd parallel of south latitude, so as to take in the McDonnell Range country, but the House of Assembly eventually determined to waive that condition. From what I have said, I think it will appear that the path is now open for negotiations, and that there is no reason why those negotiations should not have a successful issue.

Mr. FISHER.—South Australia will need to withdraw one condition.

Sir LANGDON BONYTHON.—There is time enough for us to discuss the conditions. Nobody possessed of any knowledge can look at the map of Australia without realizing that the Northern Territory should be under the jurisdiction of the Federal authorities. One thing is certain, namely, that South Australia cannot indefinitely carry its present burden. The annual loss upon the Territory exceeds £100,000, and the debt has accumulated to nearly £3,000,000. That debt is made up of moneys which have been expended upon public works, upon the cost of administration, and in payment of interest upon the debt. I may say that some time ago the South Australian Parliament passed an Act which provided for the completion of the Transcontinental Railway, on the land grant system. The passing of that Act, as a matter of fact, had something to do with the changed attitude of South Australia in relation to this matter. But, as to the railway, no progress has been made. The explanation is that the terms were attractive neither to investors nor speculators. The conditions as to labour, I am afraid, rendered the whole scheme quite unacceptable. I am aware that there are persons who have declared that the Northern Territory is worthless, and that it will never carry a large population. The Vice-President of the Executive Council, in his irresponsible days, affirmed that the Territory was a howling wilderness, and that it would remain so for all time.

Mr. EWING.—I never believed it, though.

Sir LANGDON BONYTHON.—That is just what I thought. I am quite sure that the honorable gentleman will be glad of an opportunity to withdraw that reckless statement for the reason if for no other, that it casts a very serious reflection upon Australia as a whole.

Mr. EWING.—I withdraw.

Sir LANGDON BONYTHON. — The Northern Territory consists of a tract of country over 1,000 miles in length by a breadth of 500 miles; or, to put it in another way, it contains more than six times the area of land within the State of Victoria. I do not say that there is no inferior land in the Northern Territory—it would not be a part of Australia if there were not—but I do say that it comprises some of the finest land to be found in any part of the world. The latest visitor

to the Northern Territory to make public his opinion with regard to its possibilities is the Governor of South Australia, Sir George Le Hunte, who has had great experience in tropical countries. His Excellency grows quite enthusiastic as to the future of the Territory, provided that conditions such as he thinks essential are established. Sir George Le Hunte believes that within the present generation a Transcontinental Railway will run from Adelaide to Port Darwin, linked on the one hand with Western Australia, and on the other with Queensland. There can be no doubt that Australians must make up their minds to deal with the northern portion of the Commonwealth. One of the Melbourne daily newspapers stated recently that it was rapidly becoming a recognised maxim that no country on moral grounds could maintain a claim to any part of the earth's surface unless there was effective occupancy. In the case of the Northern Territory, it cannot be said that there is effective occupancy, and I am afraid that, so far as South Australia is concerned, there never can be. Before Federation, South Australia could very easily have relieved itself of the Northern Territory, and its debt, on terms entirely advantageous to that State. To allow the introduction of coloured races was all that had to be done. Refusing, however, to pursue a selfish policy, South Australia retained the Territory in the interests of Australia as a whole. But, supposing there was a disposition on the part of South Australia to act differently—I do not say that there is; I do not for one moment believe that there is—she would be powerless; her hands are tied. In these circumstances, it seems to me that the Commonwealth should accept the responsibility of the Territory. I am glad to discover, from the Governor-General's speech, that the Ministry are willing to enter into negotiations to that end. I am especially glad to know that the transfer of the Territory to the Commonwealth is a policy approved both by the leader of the Opposition and the leader of the Labour Party. The honorable member for Bland went so far as to say recently that South Australia should be relieved at once of the burden which she had carried so long and so honorably in the interests of the continent as a whole.

Mr. JOSEPH COOK.—When did the honorable member make that statement?

Sir LANGDON BONYTHON.—In the course of an address which he delivered in

Adelaide. It was the proper place in which to refer to the subject.

Mr. JOSEPH COOK.—What else could he have said?

Mr. WATSON.—I said the same in other places.

Sir LANGDON BONYTHON. — I would impress upon the House that, since the war between Russia and Japan, this question has become one of very grave importance. The results of that war are such as to suggest possibilities which twenty-five years ago would have been regarded as the dream of a disordered imagination. The chief want of Australia to-day is more population. Every one admits that. We need more population for two reasons. On the one hand we require more people to develop the resources of our great country, and on the other we need more people to defend our shores in case of invasion. There is no more enthusiastic advocate of immigration than the Prime Minister, but whilst it is easy to talk on this subject, difficulties arise the moment one proceeds to consider what action should be taken.

Mr. JOHNSON.—Will the honorable member tell us the way out?

Sir LANGDON BONYTHON.—This is how the Prime Minister put the case in a letter to Mr. Rason, the late Premier of Western Australia:—

The Commonwealth is subject to a disability peculiar to itself. Among its powers is that of controlling "immigration," and it was clearly intended by the framers of its Constitution, and by the electors who approved it, that it should possess and exercise this essential authority in the interests of the whole continent. Yet its independent action is practically barred. Were the lands of Australia in its possession the Federal Parliament would not have waited until now without acquiring suitable settlers for the fertile areas still unoccupied. But all lands are vested in and available only under the sanction of the Legislatures of the States, and, apart from their effective co-operation, the introduction of fresh colonists is not federally feasible.

I have quoted these words in order to say that the difficulty referred to in the Prime Minister's letter will, to a large extent, disappear as soon as the Government succeed in taking over the Northern Territory. They will then have an immense tract of country wholly at their own disposal. They will be able to collect desirable immigrants in Europe and themselves locate them on the land, just as is done at the present time in Western Australia, and as was so attractively described by the Treasurer when addressing a meeting of the members of the Australasian Chamber

of Commerce in London. In this connexion I should like to quote the message of the President of the United States to Australia. I dare say honorable members are familiar with it—

Mr. DEAKIN.—It cannot be heard too often.

Sir LANGDON BONYTHON.—Quite so. The message is as follows:—

Beware of keeping the Northern Territory of your continent empty. Encourage the immigration of Southern Europeans. They will cultivate that rich country, and become good Australians.

Could words be more appropriate or more opportune?

Mr. REID.—Yes; an amendment of the provisions regarding European labour in the Contract Labour Immigration Act would be far more pertinent.

Mr. DEAKIN.—There would be no difficulty in the way of their coming in.

Sir LANGDON BONYTHON.—I realize that the message of the President of the United States refers not exclusively to the Northern Territory of South Australia, but to the whole of the northern part of this Continent. I should like to see the whole of the northern portion of Australia handed over to the Commonwealth authorities, since I am disposed to think that in this direction there might be found a simplification of the debt difficulty. I would, at all events, suggest to honorable members that they should allow their thoughts to travel along this channel, and consider for themselves whether or not it offers a possible solution in the direction I have indicated. I am quite certain that the time is not far distant when Australia will attract many more people than she is at present doing. We hear a very great deal of Canada, but, like many other honorable members, I well remember the time when immigrants were pouring into the United States, while Canada was entirely neglected. I think I am right in asserting that Australia is a better country to live in than Canada. In spite of the heat, the climate of Australia is more genial, and, all things considered, our country is more productive. At a meeting of the Royal Colonial Institute in London, Mr. Jenkins, the Agent-General for South Australia, made some very interesting and striking comparisons between Australia and Canada. Later, Mr. Beale, of Sydney, the President of the Amalgamated Chambers of Manufacture, put the case concisely and very

effectively in a lecture which he delivered before the Society of Arts in London. This is what he said—

Australia, compared with Canada, has but two-thirds the number of inhabitants, yet our population has increased, decade by decade, up to the present in a higher ratio than has Canada's. In productivity Australia is far ahead of Canada, and is likely still more markedly to excel her sister. Of wool we produce annually 40 times as much. Of sheep we have 30 times as many. Of cattle we have one-half more. Of horses the same number. Of wheat we produce 26 per cent. less in actual figures, but per capita as much as Canada. Australian minerals—

I should like honorable members to pay special attention to this point—

alone are in value about three times the total produce of Canadian mines, fisheries, and forests added together. Animal products of Australia exceed those of Canada in value by about two to one. Our imports are about £12,000,000 less than Canada's. Our exports are £11,000,000 more than Canada's. The bank and Savings Bank deposits are larger than Canada's.

As Australians, we have been apt to take too mean a view of the capabilities of our vast estate. We are beginning to discover that in the settled districts we have left untouched much good land. For instance, in South Australia, we are only now beginning to turn to serious account the land on the west coast, lying between Port Lincoln and the State of which the Treasurer is a representative. That land has an excellent rainfall, and last year produced magnificent wheat crops. Then we have Kangaroo Island—at the entrance to St. Vincent's Gulf—which is quite a province in itself. Under the new conditions, the future of agriculture on Kangaroo Island is assured, and great hopes are entertained that it may be found to contain mineral wealth. I think the States may be left to develop the settled districts, and to do all that may be possible in the way of attracting further population. I would therefore advise the Government to devote themselves to the work of developing the outlying portions of the Continent. They might well begin with the Northern Territory. If they are successful there, they will have accomplished two things. In the first place, they will have furnished an object lesson of the highest possible value, and in the second place they will have made a contribution of the best possible description towards the defence of our northern shores. It should not be forgotten that our northern seaboard at the present time is entirely unde-

fended, and is, besides, in most dangerous waters.

Mr. DEAKIN.—Not only undefended, but even unoccupied.

Sir LANGDON BONYTHON.—This brings me naturally to the subject of defence. I contend, as I have done before, that we should do something towards the creation of an Australian Navy. I know that we cannot do much, but that ought not to deter us from making a beginning. Personally, I have never been quite satisfied with the arrangement that exists between the Commonwealth and the Admiralty. I have never felt altogether certain that in an emergency, events would be equal to our anticipations. I know that the maintenance of the Empire depends upon the British Navy; and that Australia would be in a sorry plight without that navy, towards the cost of which we contribute, and ought to contribute. But I would ask again: Cannot Australia help England effectively by being prepared, at any rate, to some extent, to look after herself? We want to do something on our own account to protect our harbors and seaboard. To show that this is not wholly an unreasonable view, I shall quote from an article by Admiral Fitzgerald, which appeared in the April number of the *National Review*. He says—

Australia had already made a beginning (that is in the creation of a navy), but her infant was crushed shortly after birth, under the plea that it would be cheaper and better for her to pay a small donation to the Home Government for providing naval defence instead of doing it herself. Cheaper it may be, but certainly not better; as being totally at variance with the spirit and principles of a self-governing community.

I may supplement that with the opinion of Lord Tennyson, who preceded Lord Northcote as Governor-General of Australia. In the latest number of the *British Australasian*, Lord Tennyson expresses his opinion in the following words:—

An alternative has been suggested, and it is this—that instead of paying over to Great Britain the contribution of £200,000 annually, it might be better if Australia spent the same sum in equipping and manning a fleet of torpedo boats and destroyers of her own which she would herself buy or build. Such a flotilla would be supplementary to, and act in close co-operation with the British Navy, and in case of war, might defend Australian harbours from raids, protect Australian sea-borne commerce, valued at £145,000,000, keep touch with the enemy, and watch over the “danger areas” in the vicinity of Australian ports, and so liberate the Australian squadron more readily for service with the

China squadron or elsewhere. After consultation with more than one naval expert, I cannot help thinking that this is a reasonable proposal, and well worthy of consideration and discussion, and, were it adopted, would have the additional advantage of satisfying in a measure the national and natural desire of Australia to be a sea power, and an effective bulwark of the British Empire in the Pacific.

Nothing, in my opinion, could be better than that. It is an admirable statement of the case from the Australian standpoint. In a recent issue of the *British Australasian* is published an interview with Lieutenant Carlyon Bellairs, a member of the House of Commons, who makes some astounding statements. He states—

The British squadron at present in Australian waters is quite inefficient, and in case of danger Australia is almost as defenceless as if there were no squadron at all. The reason is that not one of the nine vessels on the station is armoured. Even the *Powerful*, as understood by naval experts, is not an armoured vessel. Now, it must always be presupposed that an enemy would send only armoured vessels to attack Australia. To think of sending unarmoured vessels against them would be absurd.

Lieutenant Bellairs goes on to say:—

The Admiralty keeps the squadron in Australian waters, not because they believe it is of any use, but because they are bound by the naval agreement with the Commonwealth. Canada refused to enter into a similar agreement, and the Admiralty has withdrawn the squadron formerly stationed on the coast. I think the present naval agreement with the Commonwealth is a bad bargain for both parties. The up-keep of the squadron costs the Admiralty £670,000 per annum, while Australia's contribution amounts to only £200,000. That is a bad bargain for us, but it is worse from an Australian point of view, because Australia is paying £200,000 a year for a squadron which in time of real emergency would be, as I have already explained, useless to meet an enemy's armoured vessels.

Mr. REID.—That is a very narrow view, because our contribution is to the whole British Navy, and for the protection of the British Flag.

Mr. KELLY.—We support the principle of naval co-operation.

Sir LANGDON BONYTHON. — The question is: Are the statements which I have quoted facts? If they are, they should receive the immediate consideration of the Minister of Defence.

Mr. KELLY.—They are merely the opinions of a member of the House of Commons.

Mr. DEAKIN.—Of one who is recognised as a very competent critic.

Sir LANGDON BONYTHON.—A fact which I am sure has not escaped observation is that war vessels, on being withdrawn from the Australian station, are generally sold by the Admiralty, or converted into scrap-iron.

Mr. JOHNSON. — That is because war vessels soon become obsolete, in whatever part of the world they may be.

Sir LANGDON BONYTHON.—It is said that Captain Creswell has underestimated the cost of his scheme. I am not prepared to express an opinion as to whether that is or is not the case, but his scheme, or some other scheme on similar lines, is that which will commend itself to the people of Australia.

Mr. KELLY.—To which of Captain Creswell's schemes does the honorable member refer? Captain Creswell has put forward five or six schemes.

Sir LANGDON BONYTHON. — I refer to his last scheme. I cordially agree with those who think that our young men should be trained in the methods of warfare. Conscription is both undesirable and unnecessary; but the object which that system achieves in Europe must, by some means or other, be attained in Australia. The citizen soldier must be an efficient man. Our school boys should be made familiar with drill, and should be enrolled as members of cadet corps. I am very pleased at the enthusiasm which exists at the present time in reference to the cadet movement, and I am sure that membership of cadet corps will prove invaluable for naval or military training. Lord Roberts is right in emphasizing the importance of skill in the use of the rifle, and in urging the wisdom of encouraging by all means possible the formation and maintenance of rifle clubs. I am glad to read in the speech that in future "preference in appointments will be given to Australian officers and non-commissioned officers," especially as it is supplemented by the statement that "the policy of sending men of promise to England, India, and elsewhere for training will be continued, and arrangements have been made for the periodical exchange of our own officers with those of the Imperial Army both in England and India, and also with the Canadian forces." I now come to a matter which I regard as of special importance. This House acted very wisely when it determined that an inquiry should be made into the old-age pensions question, and I think that the

right honorable member for East Sydney, who was at the time Prime Minister, is to be commended for having converted into a Royal Commission the Select Committee which began that inquiry. As a member of both the Committee and Commission, I unhesitatingly say that its report and the evidence constitute a most valuable Commonwealth document. The investigation was of a thorough character. Evidence was taken in each of the States, and, while there was not unanimity, but, as a matter of fact, great diversity, in the opinions expressed, that very diversity adds value to the evidence. I believe I am justified in saying that the bulk of the evidence, including that of those most competent to speak on the subject, is in favour of the payment of pensions to poor persons who have become old, and regards the providing of such pensions as a Commonwealth responsibility. It seems absurd that a man living in Victoria or New South Wales should, under the State laws, be ineligible for a pension because, for a time, he had lived out of either State—perhaps in the other. Before we had Federation the restrictive condition in the State laws to which I refer may have been right enough, but now that the States are welded together into a Commonwealth such things must be viewed from the Federal stand-point. As honorable members are aware, the Commission recommends that poor persons, on attaining the age of sixty-five years, shall be eligible for pensions of 10s. a week.

Mr. JOHNSON.—These pensions should be paid five years earlier than the age of sixty-five.

Sir LANGDON BONYTHON. — That would make an enormous difference in the cost. It does not seem to me that these pensions would operate to discourage thrift. I confess I started with some prejudice, having been influenced by the draft report on the treatment of the aged deserving poor furnished by Mr. Lecky to the Select Committee of the House of Commons. This is an extract from that report—

I can hardly consider anything more certain to discourage thrift and to sap the robust qualities of the English people than that the belief should grow up among the whole working population, including the most industrious, the most respectable, and the most independent, that they should look forward to the State, and not to their own exertions, to support them during their old age.

The evidence converted me. In the first place, it is hardly likely that the prospect of receiving 10s. per week from the Government on attaining the age of sixty-five years would cause a man to be improvident between the ages of twenty and forty, and, in the second place, we discovered that the working man who receives 10s. a day does not average more than about £2 a week, taking the whole year through, even when he is in fairly regular employment. How, then, can he save very much out of the margin left when he has paid rent, has provided food and clothing for his wife and children, and has met other necessary expenses? In one particular the recommendations of the Commission follow the example set by Victoria rather than the New South Wales practice, and if these recommendations are embodied in legislation, aged persons, having well-to-do relatives, will have to look to them, and not to the Commonwealth, for their maintenance. The Commission, wishing to encourage thrift and the spirit of independence, suggests that the Government shall establish an assurance system which would afford those who desire to do so an opportunity to make provision for their old age with the certainty given by a Government guarantee. The report says—

A scheme under which a parent could, on the payment of a small sum or sums, secure for his child an old-age pension, or any person could by a similar payment or payments on his own behalf, provide a like benefit in old age, would be worthy of careful consideration. Such a system of deferred annuities on a liberal basis would certainly prove an inducement to thrift.

The New Zealand Government contemplate action on similar lines, as honorable members will have gathered from the speeches of Mr. Seddon, who grows eloquent in regard to old-age pensions, which, he declares, have proved a great success in New Zealand. I quote Mr. Seddon—

The proposals are that there shall be a fund created by payments therein by the persons desiring to secure an annuity by a given age—say 60 years. Every post-office at which there is a savings bank will open its books for the receipt of payments to the fund—weekly, monthly, or at any time people are inclined to pay something into the fund. The minimum payment, if weekly, will be 1s.; if monthly, 5s. On the amount paid there will be a fixed amount contributed by the Government by way of subsidy. The amount of subsidy will be thus determined—single man or single woman so much, married couple so much, the subsidy in the case of married people being greater than in the case of single depositors. Then, if there are three children in the family, the subsidy will be in-

Sir Langdon Bonython.

creased. If there are six the amount will be larger than if there are only three.

The New Zealand Government also intend to subsidize friendly societies under certain conditions. These societies, honorable members will admit, are doing a most valuable work throughout the Commonwealth, and I entirely agree with Mr. Seddon when he states that the world does not realize, or if it realizes, underestimates the importance of that work. If it were not for these societies, the various State Governments would have to contribute very much more than at present towards charitable aid. The cost of a Commonwealth old-age pension scheme is estimated at £1,500,000 per annum. Of this sum New South Wales and Victoria are spending £700,000 at the present time. This leaves an amount of £800,000 to be expended by the other four States. In the interests of South Australia, I wanted the Commission to recommend that the money needed by the four States should be provided by the Commonwealth out of Custom duties, but I did not succeed, as Mr. Sydney Smith and other members of the Commission were quick to perceive that this would provide the two larger States with much unasked-for revenue. With no Customs revenue to fall back on, the smaller States will be brought face to face with a big difficulty, but I trust not an insuperable one. I am glad to notice that the Government intend to make quarantine a Federal matter, and that they also propose to establish a Meteorological Department. Reference is made in the speech to the fact that the Treasurer paid a visit to England during the recess. I understand that the right honorable gentleman paid his own expenses. If he had received the pay of an ambassador he could not have worked with greater zeal to maintain the honour and the reputation of the Commonwealth. All his time whilst in London, both his days and his nights, must have been occupied with interviews and articles for the press, and in preparing and delivering addresses of one kind and another. All the newspaper contributions, all the articles in the magazines, and all the speeches of the right honorable gentleman were permeated with that cheery optimism which is such a striking characteristic. I am sure that his visit to the old country was a magnificent advertisement for Australia. The Agent-General for South Australia is reported to have told a London audience recently that with the exception of the people of England, Aus-

tralians were the richest in the world. I am sure that the right honorable the Treasurer must have succeeded by his enthusiasm and his eloquence, in convincing all those with whom he came into contact that Australia was the greatest country on earth.

Mr. KENNEDY (Moir) [4.4]. — It is with some diffidence that I rise to second the adoption of the Address-in-Reply. I desire, at the outset, to congratulate the Government upon the comprehensive programme which they have put forward, and which presents a striking contrast to that which was submitted to us at the beginning of last session. Then the Government had to confess that it was incapable of doing anything, and had no recourse but to commit political suicide.

Mr. REID.—It is sometimes more honorable to die than to live.

Mr. KENNEDY. — The Government have at least given evidence of their desire to do something.

Mr. REID.—There will be no sign of suicidal mania on the part of this Government.

Mr. KENNEDY. — No; because they have a useful purpose to serve, and believe that there is a great future before Australia. I trust, therefore, that they will not do anything in the direction indicated by the leader of the Opposition.

Mr. REID.—The honorable member need not be alarmed.

Mr. KENNEDY. — The complaint has been made that the Government do not possess a sufficient amount of fighting talent; but I do not think that any serious exception can be taken to the attitude which they are now assuming. To be a successful leader in any sphere of life, a man must be a born fighter, and of this fact no better evidence could be afforded than is to be derived from a contemplation of the career of that great leader of public life in New Zealand who is now in Victoria. Whether or not we agree with a man, we can all admire his fighting qualities. Before I proceed to deal briefly with the matters referred to in His Excellency's speech, I may be permitted to say that during the recess the public have been repeatedly told that ruin would overtake Australia owing to the legislation passed by this and the preceding Parliament. I am surprised, indeed, that the leader of the Government, and even the leader of the Opposition, can meet the House with a cheerful countenance. The right honor-

able member for East Sydney and his lieutenants have been touring the country telling the people that we shall be overwhelmed in ruin because of the socialistic legislation that has been passed; but no one has pointed to a single instance in which an enactment placed on the statute-book by this Parliament has proved injurious.

Mr. JOHNSON.—Has the honorable member become a Socialist?

Mr. KENNEDY.—I do not know but that a Socialist is as good in public life as is a single taxer. So far as my political tendencies are concerned, I have no responsibility excepting to my constituents. In view of the task which has been allotted to me to-day, I was pleased to notice the opening paragraph of His Excellency's speech, which I venture to say cannot be refuted by the most able anti-Socialist in Australia. The paragraph reads as follows:—

I have called you together, I rejoice to say, in a season of general prosperity throughout the Commonwealth, production having increased, prices being favorable, while both trade and finance afford most encouraging evidence of the soundness of business.

Where are we to find evidence of the deplorable effects of the legislation passed by this Parliament? In proof that His Excellency has correctly stated the position, I would quote the statement made by the president of the Melbourne Chamber of Commerce, in his annual report, that never in the whole history of Australia were the general conditions of the community more prosperous, or the prospects more favorable, than at present. I would also direct attention to the support given to His Excellency's statement by the remarks of the honorable member for Grampians, who, speaking as chairman of directors of a leading banking institution, said that the conditions were such that it was really difficult to find investments for our wealth.

Mr. JOHNSON.—Will the honorable member contend—

Mr. KENNEDY.—Will the honorable member mind his own business? When a few hard facts are related those who have been crying "stinking fish" with regard to Australia cannot sit quietly by. I think it must be admitted by men of all shades of political opinion that there is ample evidence of sound business conditions and prosperity throughout the Commonwealth. I have to admit that, unfortunately, in times of prosperity there is a tendency to depart from the lines of legitimate business, but

the Government cannot help that. I wish, however, to emphasize the fact that, notwithstanding our prosperous condition to-day—the prosperous condition of those who have opportunities for wealth production and for the development of our natural resources—a considerable number of persons have had no such opportunities presented to them. This Parliament, and the Parliaments of the States, can, in their respective spheres, afford further facilities to such people for increasing the production of wealth and developing our great natural resources. They can also, by legislation, encourage our white brethren in other lands to come and settle here. But what is the use of attempting to attract immigrants here unless we bring about such conditions that they can earn a decent livelihood? There are practically only two ways by which production can be encouraged by legislation. One of these is by offering greater facilities for the occupation of the land. This is a matter which at present is under the control of the States Governments. The Federal authorities can do little or nothing in that direction. They can, however, assist the States to introduce suitable immigrants and grant bounties or bonuses, with a view to a fuller development of the industrial and mechanical arts. I repeat that a considerable amount of hostile criticism has been directed to some of the legislation passed by this Parliament. Unfortunately, in this House, as well as outside of it, when the Government attempt to do anything of a progressive character, criticism is directed not with a view to improving their measures, but with the object of destroying them. Very frequently, also, misrepresentations are made for party purposes. With regard to the Commerce Act, which was passed during last session, misrepresentation has been the order of the day. It is well known to honorable members, and to those who have taken an active interest in that measure, that the intention of the framers of the Act, and the desire of this House in passing it, was to secure honesty in trade. When the honorable member for Gippsland was Minister of Trade and Customs, he had the good sense and the courage to pass a regulation dealing with the importation of cornsacks, one of the classes of goods to which the Commerce Act will apply. He was bitterly assailed on the ground that his action would interfere with the course of trade, but there was no doubt as to the good purpose which

“*Connedy.*”

he desired to accomplish. He wished to insure that those who purchased cornsacks should know exactly what they were buying. To-day I had the good fortune to attend a meeting of representatives of the whole of the agricultural societies and farmers' unions of Victoria, at which requests were received from all parts of the State that the regulation passed by the honorable member for Gippsland be enforced. In many cases it was further urged that not only should the bales containing the bags be branded, but that the bags themselves should be marked according to their quality. This incident alone seems to me to afford proof of the necessity for the Commerce Act, and justifies the congratulations which I bestowed upon the honorable member for Gippsland for the action which he took to secure honesty in that particular branch of trade. Yet if we refer to the section of the press which professes to speak for the farming interests, we find it decrying the action of the Minister of Trade and Customs. It was in the interests of honest trade that the Commerce Act was enacted, and the section of the press to which I refer admits that the farmers actually demanded some such provisions as it contains. I have now given an illustration of the necessity for that Statute. But the assumption appears to be uppermost in the minds of some persons that the Minister of Trade and Customs is, perforce, going to harass traders and importers. Nothing of the sort. He is going to protect the honest trader and the honest importer, and to put the dishonest trader upon an equality with the honest trader. I notice that in the Vice-Regal speech reference is made to the early introduction of an Anti-Trust Bill. It is well known that an absolute necessity exists for the enactment of such a measure. Those who take a keen interest in farming pursuits know what foreign importers have done with Australian inventions up to the present time. Those who have been following the operations of the foreign manufacturers are aware that within the last three weeks one of the biggest importing firms here has sent around to the different local implement manufacturers, and bought up patterns of what is known as the disc plough. That firm has had a field trial of these ploughs conducted by experts from America with a view to combining the perfections of each, to manufacturing them in America, and to sending them to Australia

to kill the local industry. I have no objection to these gentlemen engaging in the manufacture of agricultural implements here if they desire to do so. But what I have stated is an evidence, I submit, of the necessity which exists for the introduction of anti-trust legislation. It may be urged that our own manufacturers can protect themselves by the acquisition of patent rights. I happen to know that the patentee of one of these disc ploughs has patented it throughout Australia. He is not a wealthy man, and can any reasonable individual assume for a moment that if an implement imported from America contained some part of his patent he would be in a position to fight the trust? He has no possible hope of doing so. He would go to the wall, another Australian industry would be ruined, and there would be an addition to our unemployed. A special reference in the Governor-General's speech to members of this House brings me to the one little lone proposal of the last Government. I refer to the Redistribution of Seats Bill. As one of those who was opposed to the method proposed to be adopted upon that occasion, I desire to say that no word or action of mine will delay for a moment the redistribution of our electoral divisions in Victoria.

Mr. FISHER. — Does not Moira disappear?

Mr. KENNEDY.—The individual's interests are a matter of small concern. All Victorians must, I think, view the question as I do. I commend the Government for their action in bringing down this proposal at the earliest possible moment, with a view to arriving at finality. If the law demands that it shall be done, the sooner it is done the better. That is only just to the other States. Victoria has no word of complaint to urge so long as she receives justice. She does not ask for concessions, but merely for justice. There are some of us who, it was alleged, would occupy a peculiar position in the event of any Tariff proposals being brought down during the life of this Parliament. I am among those who stood on a clearly-defined platform at the last general election. I stood behind the leader of the present Government for fiscal peace during the life of this Parliament.

Mr. DEAKIN.—For fiscal peace and preferential trade.

Mr. WILKS.—Fiscal peace, loyalty, and preferential trade.

Mr. KENNEDY.—I propose to deal with one thing at a time, if the honorable

member for Dalley will permit me to do so. As is well known, the present leader of the Opposition at that election was in favour of fiscal war.

Mr. REID.—I wanted to settle the question right off, and it would have been better had we done so, as matters have turned out.

Mr. KENNEDY.—That may be the case, but we have to deal with things as they are. Who will be responsible if we have to deal with the Tariff during the current session? I say unhesitatingly that it will be the leader of the Opposition, who, with his party, fought for fiscal war at the last election.

Mr. REID.—That is one good thing I did, at any rate.

Mr. KENNEDY.—At the last election honorable members opposite fought for fiscal war, whereas I was in favour of fiscal peace during the life of this Parliament. But the whirligig of time and the changes in politics placed the leader of the Opposition in power, and whilst he was head of a Government he agreed — I presume at the instigation of his supporters, because it is not to be assumed that he would be dictated to by an Opposition—to the appointment of the Tariff Commission. I have heard honorable members opposite declare that the right honorable member took that action at the instigation of the present Attorney-General. But is such a procedure in accordance with the policy of the leader of the Opposition?

Mr. REID.—I appointed the Commission because I thought that we could not have too much daylight in connexion with the operation of the Tariff, whichever way the evidence might go. I would not have appointed it if I had not approved of it. I am not afraid of daylight.

Mr. KENNEDY.—The right honorable member also stated that, in the event of reports being submitted by the Tariff Commission during the life of this Parliament, opportunities would be afforded honorable members of dealing with them. That is the position with which I am confronted to-day. If the reports of that Commission are submitted during the current session, what option have I—or, indeed, what alternative have the Government—but to deal with them? Can they be withheld from the House? What will be the demand of the Opposition when those reports are submitted?

Mr. JOHNSON.—Let us adhere to our pledges.

Mr. KENNEDY.—But what is the position of the Opposition to-day? They now desire a continuance of fiscal peace. They wanted fiscal war at the last general election. Sitting behind their leader, they sought fiscal war; but now that fiscal war has arrived they desire fiscal peace. They wish to dodge the issue anyhow. They want to get behind a kopje at all hazards.

Mr. REID.—That is just what I said in reference to the Deakin Government.

Mr. KENNEDY.—The Tariff Commission has submitted some reports. If they present further reports during the present session, I venture to say that I shall not shirk my responsibility. My views on this matter are well known. I was quite prepared not to raise the fiscal issue during the life of this Parliament. Up to the present time I have not asked that it should be raised. However, it has been raised without any action upon my part, and, that being so, I shall certainly not shirk my responsibility. But, however willing the Government and the House may be, there is not the slightest possibility of a complete revision of the Tariff being undertaken during the current session. I do not think that time will permit of it.

Mr. WILKS.—Then why this long Governor-General's speech.

Mr. KENNEDY.—Upon the relative merits of the questions at issue, the vice-regal speech devoted less space to this particular matter than to any other.

Mr. REID.—That is a very startling announcement in reference to the appointment of the Government Statistician.

Mr. KENNEDY.—We did not get even an announcement of that kind from the late Government.

Mr. REID.—Small as the dose was, the honorable member could not swallow it.

Mr. KENNEDY.—There is one paragraph in the Governor-General's speech relating to defence matters, and to Australian officers, which embodies a policy of which I have been an ardent supporter and advocate all my life. I have always been at a loss to understand why, when a vacancy occurs in any particular Department, we in Australia, who are not altogether in our infancy as a people, cannot appoint one of our own men to it. It seems to me the height of absurdity that, whenever we require a leading officer, we should go outside Australia for him, and

thus advertise our incompetence to manage our own affairs. If the States Governments require a prison superintendent, or a railway manager, they usually go abroad to secure him.

Mr. LIDDELL.—Then why go abroad to select a Governor-General?

Mr. KENNEDY.—That is an entirely different matter. We do not grow kings in Australia. We have confidence that the Imperial authorities will send us a representative of the King worthy of the position. We do not appoint the Governor-General. He is practically the tie which binds us to the Crown, of which we are justly proud. Personally, I should not give a voice or a vote to bring any man to Australia to control a Department of the State. We are old enough now to be able to go on our own in such matters. I shall not now deal generally with the question of defence, because I believe that some scheme of defence is to be submitted to us on a future occasion. I wish to say with regard to the paragraph dealing with the High Court that I think it is about time the Government took action in the matter dealt with in that paragraph. We have upon our statute-book a measure which it took something like two years to pass, and which caused the downfall of two or three Governments. It is practically unworkable as the High Court Bench is at present constituted. It is the duty of the Government to see that measures placed on the statute-book are given effect, and, so far as my information goes, it is only by strengthening the High Court Bench numerically that the Act to which I refer can be brought into effective operation. In the interests of Australia and in justice to all concerned, I think that this should be done as soon as possible, and I commend the Government for their proposal in this regard. With regard to immigration, a good deal has been said upon the subject. I admit the value of an increase in the white population of Australia. I admit the necessity for it. But whilst I say that, and give the Government credit for their desire to assist the States Governments, which they have every right to do, and which it is their duty to do, I remind them that they will have to move in other directions. They will have to make this country prosperous and attractive, before they attempt to bring people here under conditions which will only mislead them. It is well known that even amongst those reared to farming pursuits,

whether they come from other countries or are native born, there are men already here who find it absolutely impossible to get land on which they can settle. If honorable members will permit me, I shall read an extract in corroboration of what I have stated, from a letter I received within the last day or two. I know the writer of the letter well, and I also know three or four of his brothers, who have not been quite so unfortunate, since they have been able to obtain land. With respect to the contention of the Government that there are not sufficient people in the Commonwealth, that immigration is needed, and should be encouraged, the writer of the letter says—

My own experience is quite different to that. I came to this country sixteen years ago, and I had a bit of money with me. My intention was to take up land and settle on it. I was much disappointed on my arrival at not being able to get any land, and was forced to take on the share system. The rent for same was much too high, and, coupled with the drought, I was forced to give up the land, and go on to a glutted labour market. Without assistance from anybody, I have succeeded in getting on, but I am still seeking for land to settle on, as I have nowhere to go to when out of work, only to camp by the wayside.

The writer asks me, if I know of any land available for selection, to inform him of it. I know this man personally, and I know that what he states is absolutely correct. He says further—

I have travelled from Melbourne to the Queensland border, and back, in search of land to select.

Sir JOHN FORREST.—Why did he not go to the West?

Mr. KENNEDY.—I have known men who went to the West, and came back, though I admit that some stayed there and made fortunes. My correspondent proceeds—

I saw plenty of it, and put in applications, but it was of no use, as there were numerous applicants, and one would need to be very lucky to get a block. I do not wish to dispossess any man of his land. All I want is a block of ground that I can make a living on.

He goes on to say that unless there is some one to take by the hand the man who is seeking land to settle on, the cost incidental to inspection, attending land boards, lodging deposits, and so on, preclude the poor man from obtaining it. I am grieved when I look round in my own district and see the number of young men reared to farming pursuits, who have been in the district for the last twenty years, and have grown up there, and who are unable to

get land. We may be told by some honorable members that the land monopolist will give them land on the share system, and I wish to say here, and not without full consideration, or without having looked very closely into the matter, that the share system as conducted in northern Victoria and southern Riverina is not one remove from slavery. It is only a single remove from serfdom.

Mr. HENRY WILLIS.—What are the conditions to which the honorable member refers?

Mr. KENNEDY.—If a man makes a living on the land this season the landlord alters the conditions so that it will be hardly possible for him to make a living on it next season. I am speaking with knowledge. I have been there, and I am farming in the district.

Mr. HENRY WILLIS.—Does the tenure extend only for a year?

Mr. KENNEDY.—The tenure under the share system is such, and the conditions of tenancy are such that as soon as the harvest is over the owner of the land can put the tenant out "on his ear." He is under no obligation to the tenant, and there is practically no fixity of tenure.

Mr. HENRY WILLIS.—That is in Victoria.

Mr. KENNEDY.—The tenant under the share system has no control over the land. He cannot even say whether it is desirable that a crop shall be eaten off by sheep. If the squatter wants feed for his sheep he runs them over the land, and takes the consequence. I am speaking of this matter with absolute knowledge, because I am "at the game."

Mr. HENRY WILLIS.—The honorable member is not aware of the instances in which there is fixity of tenure.

Mr. KENNEDY.—I do not know of a single instance in which there is any fixity of tenure under the share system.

Mr. HENRY WILLIS.—Then the honorable member has something yet to learn.

Mr. KENNEDY.—In the district to which I refer, in the last ten years, to my knowledge, the landlord has always had the right to say "out you go" to the man on the land under the share system. As a result, there are men who have gone over into New South Wales on the share system, and some who have remained in Victoria on the same system, who are in a worse position to-day than they were ten

years ago. I say, without any hesitation, that before the Government induce immigrants to come here, in the belief that they will have land to settle upon, they should know beyond all manner of doubt what they are going to do with those immigrants when they get them here. May I direct the attention of honorable members representing New South Wales constituencies to a little matter which came under my notice ten or eleven years ago? Some of those honorable members clamour for a white population from Europe. The leader of the Opposition interjected only to-day to the effect that we cannot bring contract labour here unless it is British labour. Of what use is it to bring any man to New South Wales to-day unless he is a Britisher? He cannot take up a piece of land in his own name, and why then should the right honorable gentleman speak with his tongue in his cheek?

Mr. REID.—We were talking at that time of the settlement of the Northern Territory.

Mr. KENNEDY.—I venture to say that conditions approaching a reasonable degree of civilization and favorable to closer settlement exist to a greater extent in New South Wales to-day than on the Roper River. We should develop the Northern Territory by all means, but those who talk about objections to contract labour from Europe may fairly be asked why, when they had the power and authority, they placed on the statute-book of New South Wales laws to prevent white immigrants from Europe taking up land in that State, and why they have let them remain on the statute-book of that State to this day?

Mr. REID.—I do not believe they are there. I cannot positively deny it, but it astonishes me to hear the statement made.

Sir WILLIAM LYNE.—What Government did that?

Mr. KENNEDY.—The Act was passed on 3rd May, 1895.

Mr. REID.—Some one must have smuggled the provision in.

Mr. JOHNSON.—The honorable member has not told us the remedy for the conditions of which he has spoken.

Mr. KENNEDY.—One remedy is to allow a white European to take up land, if he desires to do so, on entering New South Wales. The Act to which I refer, how-

ever, precludes his doing so. It provides that—

A person who is not a natural born or naturalized subject of Her Majesty shall not be qualified to apply for any holding of the class referred to in the last preceding section. . . .

Mr. REID.—But what is the class referred to?

Mr. KENNEDY.—I shall tell the right honorable gentleman. I am armed to meet the bear. It covers homestead selections, settlement leases, original homestead leases, and, most important of all, original conditional purchases. It will thus be seen that it comprises practically everything coming within the definition of farm holdings of moderate size. I learned by accident of this provision, and, strange to say, every representative of New South Wales whom I have addressed on the subject has denied its existence. As a matter of fact, it is still the law of that State. In these circumstances, is it not singular that the honorable member for Lang should ask me to state a remedy for the conditions to which I have referred. I would say to honorable members, "Do not worry about the question of the introduction of contract labour, to the injury of European labour, in Australia, since we do not happen at present to want any, but rather consider the action of those who, when members of the State Legislature of New South Wales, deliberately passed legislation making it impossible for a white European, in some circumstances, to take up land there."

Mr. JOHNSON.—I am not guilty of such legislation; I was not a member of that Legislature.

Mr. KENNEDY.—I would not accuse the honorable member of possessing the ability necessary to deal with such a measure, but I do not hesitate to say that, although the Government of Victoria, during the last twelve months, have spent practically £1,000,000 in resuming estates for closer settlement, they are still unable to meet the local demand, to say nothing of the demand that might arise from immigration.

Mr. DEAKIN.—They have not even been able to meet the demands of purchasers.

Mr. KENNEDY.—Quite so. The State Government still find themselves unable to meet even the demand of purchasers who are prepared to pay two instalments down, and so rid the Lands Department of any risk. They find themselves unable to overtake the local demand for land. In these

circumstances, I would urge the Government to exercise the greatest caution. If they bring a number of men to Australia with the object of putting them on the land, they will do no good for the Commonwealth, or for the immigrants themselves, unless they have first found land on which to settle them. The question arises, therefore, what are we going to do? We have ample land in Australia to allow of further development, but, unfortunately, this Parliament is not in a position to deal satisfactorily with the problem. The problem rests practically with the States Governments; it remains for them to solve it. On the other hand, however, it is entirely within the province of this Parliament to widen very considerably the sphere of industrial employment. I was pleased to find in the speech from the Throne a proposal for the assistance of rural industries. When the honorable member for Gippsland held office as Minister of Trade and Customs he had, I believe, a somewhat similar proposal in mind, and I may say, in passing, that no honorable member is better fitted to give effect to such a scheme. I trust that when the Ministry bring down their proposals in this regard, they will have the active support of all those who wish to diversify the field of employment in the Commonwealth. We have hardly realized the extent or the potentialities of Australia. Few of us, indeed, have realized the possibilities of Victoria, small as it may be, or of New South Wales, large as it may be. If I may be permitted to say a word or two in commendation of the last Conference of Premiers, I should like to say that the Premiers of Victoria, New South Wales, and South Australia, in settling the question of the control of the Murray waters, placed the people of those States under an obligation which they do not at present seem to realize. No question of greater importance to a large section of the people of these three States has been dealt with—and dealt with more successfully—than was that to which I have just referred. Great industrial possibilities are awaiting development in Australia. In connexion with all our manufactures, there are numerous opportunities for extension, and when the Government bring down their proposals—and in this direction they have unlimited scope—I trust they will leave no stone unturned to secure to Australia the advantages that may accrue to it in this regard. It is unnecessary for me to refer to the value of the goods that

we annually import, thus giving to workers in other lands work that we could satisfactorily carry out for ourselves. It is in this respect that I am hopeful of a sound policy from the present Government. I have already said that I do not believe that we shall have a complete measure of Tariff revision this session. Time will not permit of anything of the kind. A session, or, indeed, a Parliament, is a very small factor in the life of a country or the development of a nation, but in all seriousness I would ask those who talk of the possibilities of Australia and of the necessity of developing our resources, to leave aside party considerations for the time being. I am never much concerned as to the party with which I am allied, as long as I am satisfied that it is proceeding on right lines. I am almost losing respect for those who are eternally raising a cry which must create party strife. We hear so much from some about anti-Socialism that I am commencing to wonder how they find time or opportunity to think of anything else. I have not yet heard a definition of anti-Socialism, nor have I heard Socialism defined as a policy injurious to the people of Australia.

Mr. WILKS.—The honorable member was not a very strong Socialist last session.

Mr. KENNEDY.—I was as strong a Socialist last session as I am to-day, but I have never been afraid of legislation of a progressive character. If in Australia one class more than another is socialistic, it is the farming class in Victoria, which has been assisted by the Government at every turn. Those who object to protection must object to grants and subsidies to rural industries; but I am delighted that the Government have in the fore-front of their programme a proposal for subsidizing and bringing into existence new industries connected with the soil. The honorable member for Gippsland knows well the immense future possibilities of the development of our country; but will those who talk so much about anti-Socialism assist the Government in doing something tangible for this development? As for State, or, as it may be termed, safe, Socialism, no section of the community has derived more benefit from it than have the farmers of Victoria. In the Budget statement of the Treasurer of the State, practically £90,000 is set aside as a free gift for agricultural education, assistance of the export trade, and so on. Is there anything wrong in that? In my

opinion, there has been too little State interference in the interests of the producers of Australia. Was it not an act of Socialism for the ex-Minister of Trade and Customs to pass a regulation prohibiting persons from selling to Victorian wheat-growers bags not of standard quality? Was it not State Socialism for the Victorian Treasurer to pay £50,000 out of the general revenue of the State to the Victorian Railways Commissioners to recoup the loss sustained in connexion with the carriage of wheat over our railways? It is useless to talk about the ruin that the Labour Party will bring about if they attempt to intervene between the dispoiler of the producer and his victim. I would not countenance any proposal which would have the effect of killing or injuring private enterprise, and to me it is absurd to dream of the nationalization of our industries; but if I am accused of Socialism, I say that I am in favour of all practical legislation to enable our people to do what they cannot do individually. When theories, dreams, visions, and ideals are spoken of, I say that no proposal will get my support until it has been brought down to hard mother earth. I have at times found myself in conflict with my friends of the Labour Party, and, no doubt, will do so again, but I have no quarrel with them on that account, any more than I have a quarrel with the honorable member for Dalvey because he sits on the opposite side of the Chamber. There are many things worth of attention, but I have already taken up much more time than I intended to occupy. I shall, no doubt, have an opportunity to refer to these matters later. I am delighted that the Government have come down with a programme of a progressive character. I do not intend to be alarmed by a mere name, nor by a proposal because it is termed socialistic. I shall not condemn any proposal until it has been put before me in a tangible shape, and I can see what its effect is likely to be.

Mr. JOSEPH COOK. — The honorable member will direct the horse's head right up to the precipice.

Mr. KENNEDY.—It is absolutely necessary, notwithstanding that we are fairly prosperous at the present time, that we should give our producers further opportunities, and make our country more attractive. Having done that, little will be required to be done to induce immigration or

to retain the immigrants who are already here.

Debate (on motion by Mr. REID) adjourned.

DAYS OF MEETING.

Motion (by Mr. DEAKIN) agreed to—

That, until otherwise ordered, this House shall meet for the despatch of business at half-past two o'clock on each Tuesday, Wednesday, and Thursday afternoon, and at half-past ten o'clock on each Friday morning.

ADJOURNMENT.

PROTEST AGAINST IMPERIAL INTERFERENCE WITH NATAL.

Motion (by Mr. DEAKIN) proposed—

That the House do now adjourn.

Mr. JOSEPH COOK (Parramatta) [4.56]. — I understand that some time ago, the Government made, through the Governor-General, a protest to the Imperial authorities against their interference in affairs controlled by the Natal Government, more particularly in respect to the carrying out of certain capital punishment. Is the Prime Minister prepared to lay the papers in this case on the table of the House?

Mr. DEAKIN.—Yes.

Question resolved in the affirmative.

House adjourned at 4.57 p.m.

House of Representatives.

Friday, 8 June, 1906.

Mr. SPEAKER took the chair at 10.30 a.m., and read prayers.

PAPERS.

MINISTERS laid upon the table the following papers:—

Cablegrams between the Prime Ministers of the Commonwealth and New Zealand and the Secretary of State for the Colonies on the subject of reported intervention by the British Government in the administration of a self-governing Colony.

Correspondence in regard to the alteration of the Tasmanian mail service.

CAPTAIN CRESWELL'S REPORT.

Mr. KELLY.—I desire to ask the Prime Minister, without notice, whether, in the event of the Government indorsing Captain Creswell's proposals, the new fleet will

be supplementary or alternative to the Imperial Squadron maintained in these waters under the Naval Agreement?

Mr. DEAKIN.—The proposals which Captain Creswell submits will be made after he has gained the experience for which he has been sent to the mother country. His last proposal was for a fleet supplementary to any naval force which the Imperial Government may retain in these seas.

Mr. KELLY.—I do not think that the honorable and learned gentleman quite understood the drift of my question. It is not the function of the Naval Director to say what action the House shall take in certain contingencies. He may wish his fleet to be supplementary to the Imperial Squadron, but this House may feel under no obligation to maintain two fleets in these waters under separate control. I therefore ask whether, if the Prime Minister indorses Captain Creswell's recommendation, he will regard it as supplementary to the Naval Agreement, or in substitution thereof?

Mr. DEAKIN.—I might fairly make the customary request not to be asked to answer a hypothetical question; but, so far as I know, any proposal to be submitted immediately must be supplementary to, and cannot be in place of, the Imperial Navy.

TRADE UNION FUNDS.

Mr. HUTCHISON.—Is it the intention of the Government to bring in a Bill this session to protect trade union funds from the effect of the Taff Vale decision, which has been indorsed by the High Court of Australia?

Mr. DEAKIN.—The question has not received the consideration of the Cabinet.

INTRODUCTION OF MICROBES.

Mr. FRAZER.—I desire to ask the Minister for Trade and Customs whether, in view of the notice of motion given by the honorable and learned member for West Sydney yesterday in regard to the introduction of microbes into New South Wales for the destruction of rabbits, the Government will undertake to see that the operations there are confined to laboratory experiments until this House has had an opportunity to express an opinion on the subject?

Sir WILLIAM LYNE.—I do not know what day will be set apart for private business, and therefore cannot say when the motion of which notice has been given by

the honorable member for West Sydney, will be debated, nor have I had an opportunity to discuss the matter which it affects with the Prime Minister; but an Act is in force in New South Wales which, I think, will be sufficient, without any action on the part of this Government, to prevent operations from going beyond laboratory experiments until a proclamation authorizing something further to be done has been laid on the table of the local Parliament for a month, and no objection has been taken to it. That puts it beyond the possibility that anything will be done until the motion of the honorable and learned member for West Sydney has been dealt with.

TARIFF COMMISSION REPORTS.

Sir JOHN QUICK.—When does the Minister for Trade and Customs intend to present to the House the first three volumes of the minutes of evidence taken by the Royal Commission on the Tariff, and make them available for publication and circulation?

Sir WILLIAM LYNE.—I am having the evidence referred to looked through by the Comptroller-General of Customs and his officers, and, if possible, will lay it on the table to-day, or, at any rate, on Tuesday next.

At a later stage,

Sir WILLIAM LYNE.—I desire to lay upon the table certain recommendations of the Tariff Commission, with the exception of two small paragraphs, in which they specify proposals in regard to the increase and decrease of certain duties. I also lay upon the table the evidence accompanying the reports. The reports are—

- No. 2. Spirits and Distillation of Spirits.
- No. 3. Wine-growing Industry in Australia.
- No. 4. Industrial Alcohol.

Minutes of Evidence.

Part I. Distillation (spirits and spirits for fortifying Australian wines), essences, perfumery, opium, tobacco.

Part II. Glucose, sugar, and confectionery, agricultural products and groceries.

Part III. Apparel and textiles.

Part IV. Metals and machinery.

Digest of Evidence given before the Commission in reference to—

- (a) Spirits and distillation of spirits
- (b) The wine industry of Australia.
- (c) Industrial alcohol.

DISTINGUISHED VISITOR.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—I beg to suggest, Mr. Speaker, that a seat on the floor of the House be accorded to the right honorable the Prime Minister of New Zealand, Mr. Seddon, who is within the precincts of the chamber.

Mr. REID (East Sydney).—On behalf of the Opposition, Mr. Speaker, may I express our cordial concurrence in the suggestion.

Mr. SPEAKER.—I shall be pleased to receive the right honorable gentleman.

GOVERNOR-GENERAL'S SPEECH:
ADDRESS-IN-REPLY.

Debate resumed from 7th June (*vide* page 38), on motion by Sir LANGDON BONYTHON—

That the Address-in-Reply to His Excellency's Speech, as read by the Clerk, be agreed to by the House.

Mr. REID (East Sydney) [10.40].—It will be my duty to touch upon a large number of questions of public importance, and I shall, therefore, begin by asking the indulgence of the House. With reference to the Speech itself, I think that, just as the late Ministry established a record for brevity, the present Ministry have established a record in the opposite direction. The Speech contains about four paragraphs for each Government supporter in the House of Representatives, which is an unusually large allowance. I may say at once that I propose to vote for the adoption of the Address-in-Reply on both the grounds mentioned—firstly, on the ground of loyalty, and, secondly, on the ground of thanks to His Excellency the Governor-General for having passed successfully through such an ordeal. My honorable friend, the member for Barker, made a statement which, considering his well-known reputation for affability and amiability, was of a startling nature. He announced that he had become a militant protectionist. Upon this occasion it is my misfortune to differ from my honorable friend, because in the present state of public affairs there is a much more important reason for a fiscal truce than any that was advanced by the Deakin Administration before the last general election. Upon that occasion the only reason put forward was that it would be undesirable to unsettle the mercantile community. Now, I think that a grave public crisis has arisen, which

affords me a larger measure of justification for maintaining a fiscal truce. With regard to the appointment of the Tariff Commission, I wish it to be understood that I did not consent to the appointment of the Commission because of any pressure brought to bear upon me by the present Attorney-General. I take the full responsibility for my action in that matter. I appointed the Commission because I thought it was a good thing to do. I am one of those who do not shrink from the fullest investigation of all the problems connected with the Tariff. The man who does shrink shows a want of confidence in the soundness of his political views. I made the appointment deliberately, with the concurrence of my colleagues. I believe that a very great public service has been rendered by the members of the Commission, and any of their reports, in which even one of the honorable members who represent the views I hold joins with four protectionist members of the Commission, will receive my most friendly support. As is well known, the appointment was deliberately made, so that no report could be presented unless it commanded the approval of at least one on the other side. The appointment of four protectionists and four free-traders was decided upon, and the names on both sides were approved by both parties, and I am prepared to help on, at the earliest possible period, any recommendation that the Commission may make. Of course, I can make that statement with reference to all the reports that have been published; but, with respect to any that I have not seen, no honorable member would expect me to pledge myself. All I can say is, that I hope and believe that any report of the Commission will be of such a character that I can support it, and such as I hope honorable members on this side will endeavour to have adopted with the least possible delay. Any protectionist report, which will not be a report of the Commission, I cannot be expected to support.

Mr. PAGE.—What does the right honorable gentleman mean by that?

Mr. REID.—I mean that I am not a protectionist.

Mr. PAGE.—But what does the right honorable gentleman mean by "a protectionist report"?

Mr. REID.—I mean that no report can be a report of the Commission unless five members out of eight agree to it. Any

report in which even one of the free-trade members of the Commission concurs I shall be ready to accept as not seriously raising the fiscal question; but it is too much to ask me to adopt the report of one-half, and that the protectionist half, of the Commission. No honorable member expected me to do that when the Commission was appointed, and I cannot do it now. I hope that the Government will show their appreciation of the labours of the Commission by pushing through their recommendations with the least possible delay. I think I may answer for honorable members on this side of the House that they will co-operate with the Government in doing that. I think that the honorable member for Moira scarcely did justice to his incisive down-right manner of speaking in his references to the farmers of Australia, and especially, I suppose, to the farmers of Victoria, with whom he is best acquainted. The honorable member seemed to suggest that the farmers of Victoria, and of Australia, I suppose, have been peculiarly indebted to the Government for the help they have given them.

Mr. TUDOR.—They have been in Victoria.

Mr. REID.—If there is to be any examination of the extent to which the farmers and manufacturers of Victoria have been indebted to the Tariff, I think that it will be found that the obligation rests more on the manufacturers than on the farmers. In the nature of the case, with our vast area in Australia, it was inevitable that the Tariff would speedily cease to prove of benefit to those who produce cereals and other agricultural products. At the present time our butter, wheat, and other produce is sold at prices which are regulated by those which prevail in foreign markets. Except in times of famine or prolonged drought, none of the farmers receive any help from the Tariff. It cannot be said that is the case with the manufacturers of Victoria or of Australia. It is a significant fact that the farmers of Australia have appeared before the Tariff Commission, not to ask for an increase of a single duty affecting their produce, but to protest against any increase of duties. The honorable member for Moira did not do justice to the force of his intellect when he failed to see the difference between the help which the Tariff gives, or the benefit which a policy of public works confers upon the farmer, or any

other industrial, and the doctrine of Socialism. We had protectionist tariffs and vast systems of public works before the Socialists were ever heard of in Australia.

Mr. WATSON.—There were unconscious Socialists like the right honorable gentleman.

Mr. KENNEDY.—What I referred to were the subsidies and special grants intended for the benefit of the agriculturists.

Mr. REID.—I am including all those. If my honorable friend would apply his intellect to this subject as clearly as he does to some others, he would see that there is no difficulty in drawing a line between the assistance which the Government affords to private enterprise, and the policy of destroying private enterprise. Whichever may be the right principle, there is surely a clear line of distinction between helping individuals to develop their own industries and supplanting those industries of private individuals by a series of Government industries. I think that a line of cleavage is thus marked, the discovery of which even the intellect of my honorable friend should be equal to. As usual, in these documents, the most important considerations are those which do not appear even in the longest vice-regal speech. I should like to point out that in my view, though it may be a wrong one, there are far more serious issues affecting the position of this House than any which are disclosed in the Speech of the Governor-General now before us. I consider that the present condition of the House is one which is entirely foreign to constitutional principles, and entirely foreign to any British method of conducting parliamentary institutions. In making this statement, I am supported by the eminent authority of the present Prime Minister. For three years that honorable and learned gentleman accepted the support of the Labour Party, and tolerated the existence of the three-party system without the slightest appearance of uneasiness. But when the Arbitration Bill came along, and the possibility of a labour vote that would displace him, clouded the horizon, then in the month of January, 1904, the honorable and learned gentleman, at the Australian Natives' Association banquet, made what I thought a very admirable speech, in which he expressed his condemnation of the present position of Parliament.

Mr. PAGE.—The right honorable gentleman has told us all this before.

Mr. REID.—If the honorable member for Maranoa had had that remark applied to him he would never have made more than one speech. I hope my honorable friend will remember that each honorable member is entitled to judge for himself as to the nature of the remarks which he addresses to this House. I am not going to dwell on the subject, but am simply working forward to nearer events. When the defeat of the Ministry occurred, it was then suddenly discovered that the Prime Minister was sick of the humiliation he had been enduring.

Mr. DEAKIN.—I never have been subjected to any humiliation. I never said so, and have always expressly contradicted the statement.

Mr. REID.—I am glad for the honorable and learned gentleman's sake to hear that it was an enjoyable experience. All I can say is that in the light of his subsequent declarations that makes the situation more surprising still. I shall compare the honorable and learned gentleman with himself presently. We shall now take it that he did enjoy the position which he occupied, but I have a vague recollection that my right honorable friend the Treasurer said that he had been eating dirt.

Mr. DEAKIN.—Not the present Treasurer, the late Treasurer.

Mr. REID.—I refer to the present Treasurer.

Mr. DEAKIN.—No.

Mr. REID.—I think the right honorable gentleman will not deny that at least he had a nasty taste in his mouth once or twice.

Sir JOHN FORREST.—I did not use the expression referred to.

Mr. REID.—I know my right honorable friend will not quibble about words. There is no doubt that the Treasurer did make that statement, and we all know that he is a gentleman whose statement on such a subject would be accepted. But that is not material. The material point is that when the Government was defeated, I paid the Prime Minister a number of compliments upon his chivalrous regard for constitutional propriety in taking the course which he did. But I now find, from a speech which the honorable and learned gentleman delivered in Adelaide, that I have been in error. The Prime Minister stated at Adelaide in March last, that when he was defeated he had made a proposal to the Labour Party for carrying on the business for the remainder of

the session, that that offer had been refused, and, as a consequence, the Labour Government had come into power. That is rather a revelation to me. It turns out now that the honorable and learned gentleman, so far from being full of the situation, was actually eager, even after that defeat, to continue in his position.

Mr. DEAKIN.—That is not so.

Mr. REID.—I cannot be answerable for the accuracy of newspaper reports; I can only quote them.

Sir JOHN FORREST.—We did not ask for a dissolution, we simply went out.

Mr. REID.—I am not saying anything about that. I shall read this quotation from the report of the speech of the honorable and learned Prime Minister at Adelaide.

Mr. EWING.—What is the newspaper?

Mr. REID.—This report appeared in a Sydney newspaper—the *Sydney Morning Herald*.

HONORABLE MEMBERS.—Oh!

Mr. REID.—I hope that my honorable friend will not impute that the *Sydney Morning Herald* would garble a telegraphic report of a speech of the Prime Minister. The honorable gentleman will hardly say that?

Mr. EWING.—They will do what is necessary.

Mr. REID.—I think that if any one will do what is necessary up to a degrading point, it is the honorable the Vice-President of the Executive Council. This is the statement made in the newspaper; it may have been an invention, but I decline to believe it—

The Prime Minister said he had offered to make arrangements with them—

That is the Labour Party—

with a view to the business of the rest of the session—

Mr. DEAKIN.—That was after the Labour Ministry was formed.

Mr. REID.—Oh; then I must add the rest of it—

and the Labour Party refused.

They refused. So this is some other negotiation we have heard nothing about. This negotiation never came before the public.

Mr. DEAKIN.—It did often, and it has been often referred to in this House.

Mr. REID.—Then all I can say is that I have missed the reference, that is all.

Mr. WATSON.—The right honorable gentleman was away a lot, he must remember.

Mr. REID.—This is news to me. I wish to point out that when the Labour Government came into power after supporting the Deakin Government and their friends for three years, the first thing that the Deakin party did, including the honorable and learned member for Indi, and the honorable member for Hume, the Minister of Trade and Customs, was this: The very first day after the Labour Government took possession of the Treasury benches, and began their career, those who had been supported by them, and who had held office owing to their support for three years, crowded us out on this side of the House.

Sir WILLIAM LYNE.—That is not correct.

Mr. REID.—Well, I got a bit crushed, I remember, by the Prime Minister. There was scarcely room for both of us on this chair. I remember that so eager was my honorable and learned friend to assume the position of a political opponent of the Labour Party that I had actually to fight for the chair which I had occupied for three long weary years. These are simply preliminary observations, with reference to the more serious position, which is aggravated to-day. The position of affairs which existed then has become ten times worse to-day. The Deakin Government is only a shadow of what it was in those days, when Sir Edmund Barton and the right honorable member for Adelaide, Mr. Kingston, were members of the Government. Both in point of numbers and in point of ability, the present Deakin Government is a wretched shadow—I do not mean physically—of the Government which existed in the earlier days of Federation.

Mr. DEAKIN.—“What shadows we are, and what shadows we pursue.”

Mr. REID.—The Labour Party had only been in possession for about two weeks of the benches which the Prime Minister and those associated with him had occupied for three years by their support when, on the 10th of May, the honorable and learned gentleman expressed these views. Either they were the sincere expressions of convictions which he had entertained for a long period, or they were expressions which were manufactured to suit the cold shades of Opposition. I prefer, as I think we all should, to believe that they represented the sincere convictions of the honorable gentleman. We all know that he can play with words as dicers can play with oaths, but we will give him credit for expressing his sincere

convictions when addressing the people of Australia. Speaking in the Town Hall, Melbourne, this is what he said of a state of things that had been existing so long, and had become painfully acute when he was thrown out, and his labour allies took his place—

I am perfectly certain that a mind as clear as that of Mr. Watson, fully recognises what has been termed the practically impossible position of parties in Parliament. It is three months since I took occasion to call attention to the matter in the most open manner that was then possible. I pointed out then that there were three parties in existence, and that if “two is company and three’s none,”—

Before and after the honorable gentleman has found three parties all right—

two parties mean constitutional government, and three are just about equal to none.

Here we have the solemn, sincere statement of the competent Prime Minister that two parties mean constitutional government and three are about equal to none. I adopt those expressions; I believe the Prime Minister was right, and, using his words, I say that the most serious feature of the political situation is that under present conditions parliamentary government is impossible. I know the figures will not be very pleasant to honorable members opposite, but I think I am entitled to show that the present state of affairs is infinitely worse than any that previously existed in this House. Take the position of the Government in reference to its supporters in both Chambers: We find, first of all, that among the representatives of the four States of New South Wales, Queensland, South Australia, and Western Australia, the Government have not one single supporter in the Senate.

Mr. PAGE.—What about Senator Drake?

Mr. REID.—I hope that the honorable member will speak for himself.

Mr. PAGE.—The right honorable member is making a misstatement, and I wish to correct him. Senator Drake was returned as a supporter of the Barton Government.

Mr. REID.—I am talking of the present state of things. The honorable member complained a few minutes ago that I was dealing with ancient history, yet he is now twisting the history of to-day into that of former times.

Mr. PAGE.—Senator Drake has not been before his constituents since the time to which I refer.

Mr. REID.—I believe I am correct in stating that Senator Drake is not a supporter of the present Administration; I do not think that statement calls for contradiction. I repeat that not one senator representing New South Wales, Queensland, South Australia, or Western Australia is a supporter of the Government. The Government have one supporter from Tasmania, and three from Victoria, or, including Ministers, six supporters in the Senate, out of a membership of thirty-six. A Government possessing executive power over the Commonwealth that is so situated is in a worse position than any ever occupied by an Administration in Australia. I come now to the position of affairs in the House of Representatives. Taking again the four States of New South Wales, Queensland, South Australia, and Western Australia we find that only two of their representatives in this House support the present Administration, while Tasmania gives them one, so that they have only three supporters among the representatives of the five States. Finally, Victoria gives them eight supporters. I am giving the Ministry all the representatives of this State sitting upon the other side of the House, excluding only the honorable member for Echuca, who, I believe, has crossed over to this side. The figures I have quoted show that the Government have a total of eleven supporters in this Chamber. Inclusive of seven Ministers, they have a party of eighteen in a House with a membership of seventy-five, or, taking both Houses, a party of twenty-four in a Parliament of 111 members.

Mr. DEAKIN.—“Four-and-twenty black-birds.”

Mr. REID.—I think they are going into the pie very soon, and that two “cooks” will assist in the operation.

Mr. DEAKIN.—They will then begin to sing.

Mr. REID.—I merely wish to point out that the position of affairs is now infinitely worse, and that the eminently wise remarks made by the Prime Minister on the occasion to which I refer are still more potent. The honorable and learned gentleman went on to say—

I look upon the acceptance of the responsibility of the majority as the most pressing importance that awaits us, and the revival of parliamentary methods as a matter of urgency.

Thus for three years constitutional parliamentary methods had been destroyed, and the moment the honorable gentleman left

office he found their revival a matter of urgency—

Moreover, I feel convinced that parliamentary methods cannot be revived unless constitutional principles are given free play.

So that again the honorable gentleman admits we had not been living under constitutional principles for three years, and he suddenly found it a matter of great urgency that we should recover our parliamentary system of government—

At present they are not given free play from the whole of the House, because, although they may operate upon some portions of it, they play upon an *imperium in imperio*, and they have to deal with Mr. Watson's party. It draws outlines without considering expedients, and with regard to which it puts everything beyond its pale, and it makes all those who are not within it against it, because they are without it, and if that policy has to be pursued, Mr. Watson will have to take his place, not upon the Treasury benches, but upon the Opposition side of the House.

This statement was made within two weeks after those who had supported him for three years had taken office. After the Labour Party had been in office for a fortnight, the Prime Minister practically gave them a notice to quit; for it is well known that the Labour Party cannot receive any addition to its ranks unless candidates are prepared to take the pledge and to submit to the caucus system. The honorable and learned member for Northern Melbourne, who is as close a friend of the Labour Party as any man could be, is not in the party because of that simple consideration. The Prime Minister went on to say—

Does the rule of the majority at present obtain in Australia? (Cries of “No.”) What three-fourths of the country is suffering from is want of organization. What the other part suffers from is over-organization.

So that, according to the Prime Minister, three-fourths of Australians are outside of the Labour Party, because three-fourths suffer from want of organization and one-fourth from over-organization.

Mr. HUTCHISON.—They will all be inside of the Labour Party after next election.

Mr. REID.—Well, they will be inside of something. I am using these words because they describe my view of the present situation more forcibly and more eloquently than I could do.

I say there can be nothing more derogatory to a representative or injurious to his standing in Parliament than to see a body of men required to pledge themselves to vote and act as their judgment would not direct them to.

There is a direct arraignment of the methods of the Labour Party.

Mr. WATSON.—Not at all. I agree with that.

Mr. REID.—I suppose that the minority obtained by some miraculous process suddenly become convinced when they are defeated.

Mr. WATSON.—We never have a minority on important questions.

Mr. REID.—I want to go a little further. Before the Labour Ministry were in power for one month, the present Prime Minister was associated with me in conference to arrive at an understanding which would enable us to eject them from office. My position as leader of the Opposition was a perfectly fair and straightforward one. I suppose that even this Opposition will be allowed the right to put out the Government if it can. The moment the Labour members took their places upon the Treasury Bench the honorable and learned member for Ballarat, who had been separated from me for a long time—we had never worked together before in our political career—sat down with me to plan their overthrow, and we succeeded in accomplishing it.

Mr. THOMAS.—And the honorable member for Flinders says that you were too ambitious.

Mr. REID.—That is the infirmity of noble minds, and the misery of inferior minds. The Prime Minister co-operated with me loyally in putting out the Labour Government. I have nothing to complain of in that regard. He was unceasing in his anxiety to secure their defeat, and by his able instrumentality I was able to eject the Labour Party from office. The honorable and learned member afterwards went to Ballarat to establish a national league—against the Labour Party of Australia—and in his statement there he spoke with great plainness. He pointed out the serious position of affairs in Australia. He said—

Instead, therefore, of taking the downward path which would lead to political servitude, and perhaps to social slavery, we want to rally to our flag those in favour of responsible government, to restore majority rule, and to maintain that priceless heritage which our forefathers have handed down to us, and which we should preserve, or perish.

Grand language! But the honorable and learned member has sacrificed that "priceless heritage" for a miserable mess of pottage. He has sacrificed the opportunity of arresting the downward path of Australia; he has assisted those whom he has de-

nounced as rushing Australia over a ruinous precipice. Mind, it may suit the Labour Party. I do not complain of their position at all. They are entitled to get support from any one who will give it. It is not for them to inquire what his motives are. If Mephistopheles himself were to vote for me, I should think that for once he had done a good action. The honorable and learned gentleman went on to say—

What is more, you must swallow them whole. If, in accepting every article of the programme, supporting every proposal which they put forward, you once endeavour, as many of their own members have proved in this and in other States, to assert your individuality, if you once try to have an independent mind on other subjects, or in relation to party arrangements, you are a heretic, banned with bell, book, and candle.

Mr. FISHER.—*Arabian Nights!*

Mr. REID.—I do not know about that; but in the *Arabian Nights* there is not a scene that can suggest a more grotesque alliance than that which exists, in view of these utterances, between the Prime Minister and the Labour Party to-day.

Mr. HUTCHISON.—But he has not swallowed much of our programme yet.

Mr. REID.—In the most vivid descriptions of the romances in the *Arabian Nights* there was always some suggestion of an honest attachment. There might be too many attachments—attachments might, perhaps, have reached a degree which was not quite consistent with a proper self-respect—but right through the wonderful love-making of the characters in the *Arabian Nights* there was always some suggestion of a more or less romantic attachment. There can be no honest attachment between a public leader and the Labour Party when he denounces them as the enemies of the Constitution, as the destroyers of parliamentary government. The honorable and learned gentleman did not confine these remarks to the convivial surroundings of the Town Hall luncheon. He, in the presence of the Labour Party in this House, made the following statement only a few months after the Labour Ministry had taken office:—

Those most closely allied with the Labour Party, those who make the greatest sacrifices for them, who stand closest to them, and who most wish to help them, are always the first to be sacrificed by them. One may help the Labour Party for one month, two months, three months, or four months; but the moment one stops or makes a single independent step, he is treated as a bitter enemy. After having been apparently trusted, he will be treated

suspected from the first moment; he will be condemned as if he had attacked them from the outset. That is the treatment which follows alliances with political machines. . . .

In the *Arabian Nights* there is nothing about an alliance of that sort. If I—the man whom the Labour Party in New South Wales supported in office for five years—were to use one-half of these epithets, my honorable friends would denounce me in the strongest possible language. I am very glad to say that, when my honorable friends of the Labour Party thought fit to put me out of office in New South Wales, I never complained of it or abused them; and to this day they quote the record I put upon the annals of Parliament of the honorable methods which they had adopted through the whole of their alliance with me.

Mr. HUTCHISON.—Some of us denounced the Prime Minister for that.

Mr. REID.—I am glad to hear that; but it is only a matrimonial quarrel. The Prime Minister has developed a craze for alliances for which no parallel can be found except in that interesting work of fiction to which reference has been made. After the interchanges between ourselves, and his opinions of the Labour Party, one would scarcely expect that, when he opened his campaign with a speech in Ballarat, a short time ago, he would make this statement:—

We must either have an alliance with Mr. Reid or an understanding with Mr. Watson.

Note the shade of difference! I am worthy of an honest, close alliance, but the Labour Party are only entitled to an understanding. To that offer of an alliance with either or, I suppose, both, the honorable and learned gentleman attached a condition which was impossible. The Prime Minister asked that either the party which I have the honour to lead, or the party which the honorable member for Bland has the honour to lead, should pledge itself to a high Tariff as the price of co-operation. The honorable and learned Prime Minister ought to know that that condition is equally impossible in the case of the Opposition and in the case of the Labour Party. He ought to know that the Labour Party is on a basis which enables honest free-traders and honest protectionists to form one great party. It is an insult to the Opposition, or most of them, and it is an insult to those members of the Labour Party who are free-traders, to offer an alliance as the price of the sacrifice of political conviction. But

the Prime Minister at Camperdown went even further. He directed his attention to the free-trade members of the Labour Party. I do not know whether this is another invention of the enemy, but I can only trust to the newspapers, and the Prime Minister is reported to have said, speaking of the free-trade members of the Labour Party—

They put themselves, by neglecting protection, in the position of the man who saws off the bough on which he has been sitting.

What sort of conception of political principles is there in the mind of a man who appeals to men like the honorable member for Maranoa, the honorable member for Kennedy, the honorable and learned member for West Sydney, the honorable member for Wide Bay, and the honorable member for Canobolas, who are honestly attached to the principle of, at any rate, a revenue Tariff as against a protective Tariff—

Mr. FISHER.—I am not in favour of a revenue Tariff.

Mr. REID.—Then I shall leave the honorable member for Wide Bay out of the list. I know that the honorable and learned member for West Sydney, the honorable member for Canobolas, the honorable member for Maranoa, and the honorable member for Kennedy have shown their beliefs very forcibly; and to ask those honorable members to sacrifice any of their political principles, which their own party does not ask them to sacrifice, and to suggest that they are destroying themselves by adhering to those principles, is, I think, to occupy a position unworthy of a public leader.

Mr. WILKS.—The honorable member for East Sydney has omitted to mention the honorable member for Perth.

Mr. REID.—Then I beg that honorable member's pardon. The omission is a mere accident; I do not pretend to mention all the honorable members so situated, but merely some of those I see in front of me. I want to point out that the offer I have indicated is not a fair offer for any public man to make as the price of an alliance—an alliance, not for a truce, but in order that free-traders shall sacrifice their principles, and become, not moderate protectionists, but rabid protectionists. It is not a fair offer, and the Prime Minister ought not to think that it will be accepted. The Prime Minister indulged in the same sort of remark in Adelaide when he appealed to the Labour Party to vote solidly for a high Tariff. The honorable gentleman must see that even to satisfy

his morbid craze for political alliances people are not prepared to sacrifice principles of great moment. It is quite possible to meet, as the Prime Minister and I met, on the basis of a fiscal truce. That is quite conceivable, and, I think, quite proper; and it is the basis on which the Labour Party stand to-day. But to ask us to hoist the enemy's flag is asking too much, and it is quite impossible that the offer can ever be accepted. With reference to the suggestion which has been made that we clear the Tariff difficulties out of the way by putting the Tariff right before the elections—well, I came in on a policy of fiscal war. I am not bound, as some honorable members, especially the Prime Minister, are bound, in reference to these matters. I do not forget the statements the Prime Minister made, and I shall watch with interest the attitude he will assume. So far as I am concerned, and most of the honorable members on this side, and a number of members of the Labour Party, we cannot be expected to carry out any such policy as that of a high Tariff, whilst I think we are all prepared to help the Government in dealing with any reports of the Royal Commission.

Mr. WEBSTER.—No matter how high the suggested duties may be?

Mr. REID.—I have pointed out that, from the nature of the Royal Commission, it is impossible that there can be a protectionist report.

Mr. MAUGER.—The whole thing is a farce.

Mr. REID. — The honorable member must understand that this matter was fully put before the House and the public before the Royal Commission was appointed. I must say that I had the cordial assistance of the Prime Minister in fixing up that Commission.

Mr. MAUGER. — There was a protest made.

Mr. REID. — I cannot remember that the Prime Minister ever expressed to me any opinion in favour of other appointments, but the honorable member for Melbourne Ports may be perfectly right.

Mr. DEAKIN.—I expressed none.

Mr. REID.—I may have forgotten a number of interviews in reference to the names of the members of the Commission. However, from first to last, the Prime Minister never suggested to me, before the Commission was appointed, either that he disapproved of it or that it would have

any serious bearing on our arrangement. But I make no complaint; these are personal matters, and my desire is to keep entirely to broad grounds as they affect the position of Parliament to-day.

Mr. JOSEPH COOK.—The Prime Minister said in Sydney that he knew at the time "it would burst you up."

Mr. REID.—The Prime Minister was asked by an elector in Ballarat what he expected to gain by his alliance with Mr. Reid. That was a very plain question, and the Prime Minister, for once, gave a definite reply when he said, "I expected to gain breathing time until June, 1906." So that the Prime Minister entered into an alliance with me in order to recover his wind for a fight to the death between us. All I can say is that this may be another invention of the newspapers—I do not know; but here is the statement which was made in reply to a question asked by an elector at Ballarat. I now desire to come to another point. In any British community the head of the Government and the members of the Government are looked to as the chief guides of public opinion. On large political questions they are supposed to have opinions, and to express them; and I should like to test the Prime Minister and his Ministry on a question which, whatever honorable members here may say, is the burning question of the day right throughout Australia. That is the question of Socialism. I have addressed a large number of audiences on the subject, and I think I am stating the literal truth when I say that the one subject on which the people were anxious to be enlightened was this burning question.

Mr. HUTCHISON.—And they will not be any more enlightened after the speech of the honorable member.

Mr. REID.—That is a matter of opinion. I am not answering for the honorable member's friends. I am not answering for the degree of intelligence which exists in certain circles; I can only say that there are a number of people who have sufficient intelligence to understand.

Mr. HUTCHISON. — But the honorable member has not put the matter to them yet.

Mr. REID.—I must ask the honorable member to recollect that I have a much more important subject to deal with than himself. I wish to test the leadership of the Prime Minister on the burning question of the day. When the honorable gentleman was still supposed to be an ally of

mine, in June, 1905, he made a statement on this subject at Ballarat.

Mr. DEAKIN.—Why does not the right honorable member refer to the previous Ballarat speech of 1904?

Mr. REID.—When was that?

Mr. DEAKIN.—When I struck out all reference to Socialism in the resolution which I was asked to move.

Mr. REID.—I am much obliged to the honorable gentleman for his remark, which reminds me of something I had overlooked. The honorable gentleman did strike out of a resolution something of that sort, but he went up there on that occasion on the direct basis of rules drawn up for that league—rules which I had the honour of seeing—rules which were an absolute counterpoise, so far as the political movement was concerned, to the Labour Party. The restoration of parliamentary government was one of the chief rules of this league. How could it be restored with the continuation of a system such as we see to-day? We were then marching under the same flag. I believe that my honorable friend, the ex-Minister of Customs, Mr. McLean, was at that meeting. It was held on the 2nd August, 1904. At any rate, on one occasion he was there. That meeting was called for the purpose of establishing a league in alliance with myself—a league against the Labour Party of Australia. And at that time, the socialistic objective had not been adopted by the Inter-State Conference. It was not adopted until July, 1905. At that time, the Prime Minister might fairly say, "You have no need to have that in your programme." But in July, 1905, the Inter-State Conference, by 35 votes to 1, adopted the socialistic objective, and made it an Australian question by that overwhelming majority. Well, the honorable gentleman at Ballarat just before that said that he was at the opposite pole from the Socialists; that if they desired to supplant private enterprise by means of Government industries, he differed from them as widely as the North Pole differs from the South. That was before the Inter-State objective. But a few days afterwards, by 35 votes to 1, the Labour Party of Australia adopted the socialistic objective. From that time to this, my honorable friend has been a sealed ovster. At all his meetings he has avoided taking the public into his confidence on the one subject the public is interested in.

Mr. DEAKIN.—And the right honorable member says that in face of the 1905 speech, several pages of the report of which are occupied with Socialism and anti-Socialism!

Mr. REID.—I was not provided with a revised copy of the speech of the honorable gentleman, and if I had been, I should probably prefer the newspaper report.

Mr. DEAKIN.—No doubt. It suits the right honorable gentleman to use the incomplete report.

Mr. FISHER.—Will the right honorable member quote the reference to Socialism in the objective, so that it may go into *Hansard*?

Mr. REID.—I am going to do so presently; but I should like first to quote from the Prime Minister's speech a passage which seems to me to warrant what I have said. At Ballarat, in March last, the Prime Minister said—

I scarcely need discuss Socialism with you to-night. I have laid that down before.

Mr. DEAKIN.—On the previous occasion, when I spoke in Ballarat.

Mr. REID.—What time was that?

Mr. DEAKIN.—In the speech just before the meeting of Parliament last year.

Mr. REID.—That is the one I am quoting from.

Mr. DEAKIN.—The right honorable member is quoting from the one in March.

Mr. REID.—In the speech of July, 1905, just before the meeting of Parliament—I have just quoted it—

Mr. DEAKIN.—Why not that of 1904?

Mr. REID.—In that speech the honorable gentleman said that his views as to Socialism were what I have just said.

Mr. DEAKIN.—I would not explain what Socialism was supposed to be, or what anti-Socialism was supposed to be, as I had previously exactly defined my attitude to both.

Mr. REID.—Then I am delighted at this admission. The honorable gentleman does know what Socialism means, and does know what anti-Socialism means. I have never been able to get that admission from any of the leading politicians opposite.

Mr. HUTCHISON.—I wish the right honorable member would tell us what he thinks they mean.

Mr. REID.—I have been endeavouring to illuminate the intelligence of a number

of distinguished public men on the difference between Socialism and anti-Socialism.

Mr. DEAKIN.—That is what has confused them all! I know what Socialism is, and I know what anti-Socialism is, but I have never known what the right honorable member means by either.

Mr. REID.—I quite admit that the Prime Minister does not, because he is always on a curve, and I am always on a straight rail. I presume that this statement may be accepted—

I scarcely need discuss Socialism with you to-night. I have laid that down before.

The honorable gentleman says that he has explained what Socialism and anti-Socialism are—though scarcely in the picturesque language of the Vice-President of the Executive Council. But now I go on to the Sydney speech. The Sydney people were very anxious to hear the Prime Minister's views on this subject, and this is what he said. Of course, I am quoting the pith of it. The remark that the honorable gentleman made in Sydney was this—

I have not used the word Socialism or anti-Socialism, but for those who do not know my policy, I can tell them that I am on the side of the Australian party.

What a gush of illumination that was, Mr. Speaker!

Mr. DEAKIN.—That was a reply to an interjection, which is omitted.

Mr. REID.—I suppose that an interjection does not distort the intelligence of the honorable and learned gentleman?

Mr. DEAKIN.—It distorts the reply though, if the interjection is not quoted with it.

Mr. REID.—I suppose the honorable and learned gentleman will admit that what he did say was substantially this—

For those who do not know my policy, I can tell them that I am on the side of the Australian party.

Mr. DEAKIN.—The interjection was with reference to the speech I had been making, and I naturally pointed out that the whole of it was devoted to the policy of the Australian party. I was asked if I was expounding the policy of Socialism or anti-Socialism, and I said that my whole speech, and the policy I had described, had reference to the Australian policy of the party just formed in Sydney, at whose invitation I was speaking.

Mr. REID.—It is precisely the ground of my criticism that the honorable and learned gentleman did not deal with Socialism. He is only confirming my accusation; because my accusation is that when the Prime Minister goes before a great Sydney audience—and he is not there often—he does not address himself seriously to the burning question of the day. Why? Because the honorable and learned gentleman, instead of having the Ballarat National League behind him, has the Labour Party behind him. That is the difference. If the Prime Minister were over here, side by side with me, if he were on good terms with the league he founded, would he not discuss with the fullest earnestness this great question? We know that he would surround it with a glow of rhetoric which would, at any rate, stir the feelings if it did not enlighten the understanding. I want now to come to another position that the Prime Minister takes up. When in Sydney he asked the people to accept a high Tariff. I will read the report. He said that—

The first and most proper immigration measure would be a proper protective Tariff, such a Tariff as would encourage employment.

The Attorney-General appeals to the people of Australia to increase duties to provide work for our own starving artisans; the Prime Minister appeals to the people to establish a high Tariff to encourage artisans to emigrate from other countries, to enter into competition with these starving artisans whom the Attorney-General wishes to provide for. How can a high Tariff be a proper measure to encourage immigration if it does not lead to the immigration of artisans, and if it does lead to their immigration how will it help our starving artisans—if there are any here in Melbourne?

Mr. KENNEDY.—It would provide employment.

Mr. REID.—Would it provide employment to bring more artisans here? It might provide some employment, but it would not be for the men whom the immigrants displaced. I have never concealed my view that any attempt to bring artisans to Sydney or Melbourne—to these over-gorged centres of population—would be a project which no sensible man should encourage. I look to an entirely different stream of immigration, consisting, not of farmers alone, but of agricultural labourers. I am not aristocratic enough to draw the line at the

introduction of farmers. I think there is room for thousands of agricultural labourers, quite apart from the land-holders.

Mr. KENNEDY.—There is room for millions here.

Mr. REID.—That is the kind of immigration which we all favour. Now I come to the cry of "Australia for the Australians." At the last general election the cry raised by the Prime Minister was "Australia for the Empire, and the Empire for Australia." The honorable and learned gentleman went before the electors with the white flag of fiscal peace and preferential trade. He indulged in a number of beautiful perorations, which represented the various parts of the British Empire as a vast problem, the only solution of which was to be found in drawing them together by closer ties, by the freest intercourse. But now the honorable gentleman's cry is "Australia for the Australians." Surely every one is in favour of every legitimate opportunity being given to the people of our own country, but I say that the cry of "Australia for the Australians" is an unpatriotic cry. I claim that Australia was given to us by the people of the Mother Country, and that we ought always to look upon Australia as not only a place for Australians, but, at least, a place also for the people of England, Ireland, Scotland, and Wales. I draw no geographical line between the members of the great Anglo-Saxon family of the British Empire. I do not find along the map any single line of latitude or longitude at which I would establish a distinction. I admit that each country must be allowed to work out its own destiny in its own way, but whilst that is so we should never fly a wretched flag of that sort. This cry is being carried even into a matter upon which the lives of our people depend. This pernicious cry is being carried even into the region of military efficiency. In the Governor-General's speech we are told that in future we shall provide our military leaders from the ranks of Australian officers, and the Minister of Defence has said that he has a man who is thoroughly competent to fill the highest position in the Commonwealth Forces. If that be so, there is not a man in Australia who will not rejoice to hear it. We would all rejoice to learn that we have an Australian who is competent to fill such a position, and if we have, every man will applaud to the echo the Minister's choice. But if the question

whether an officer is Australian or British is to enter into the determination of the matter—if that is to be considered—the basest treason is perpetrated against our system of defence. The very lives of our soldiers—and of our men, women, and children as well—depend upon our having the greatest possible efficiency in the command of our system of defence.

Mr. FISHER.—I understood the Minister to say that no further outsiders would be brought in.

Mr. REID.—I should like to say—and I think the honorable member for Wide Bay will agree with me—that in our system of military defence above all other questions, the great point is to secure the best soldier that we can for the money we can afford to spend. If we have the best soldier we shall all acclaim him, and if we have the best soldier, why should the Minister of Defence say yesterday—"Oh, the Forces will get on without inspection for a little time. They will get on just as well without it"? If we have a man who is fitted to fill the position of Inspector-General, why should he not be put into that office at once? Why should we not be privileged to know who this distinguished Australian officer is? I altogether despise this unpatriotic endeavour to create lines between the different branches of the British people. By-the-bye, the Prime Minister, in that eloquent speech which he devoted to preferential trade, depicted the British Empire as one in "unity of action, in sympathy in aims." He said—

This may surely be reckoned amongst the vastest of human ambitions.

Magnificent sentiments, but they are like the illustrations of the bill-sticker. Honorable members will have frequently noticed upon the hoardings of our cities, beautiful pictures. The bill-sticker comes along every three or four weeks, passes his brush over them, and plasters upon them fresh pictures. The Prime Minister is the bill-sticker of Australian politics. He is always pasting up beautiful pictures on sign-boards, which attract the admiration of the people, but do not confer one atom of good upon any single human being. At one moment he raises a patriotic cry about preferential trade; at another he utters the cry of "Australia for the Australians." All I can say is that in the State where he has been the leading public man for so many years, it has been every other country but Victoria for the Vic-

torians. Why, during the past ten years 110,000 persons in excess of the arrivals have left this State. We all regret that. Nobody could rejoice in a fact of that sort. We are thankful to know that these grand people have not all left Australia, but that most of them are advancing the fortunes of other portions of the Commonwealth. But it is a lamentable fact all the same.

Mr. DEAKIN.—New South Wales lost population whilst the right honorable member was in power there.

Mr. REID.—New South Wales, during my term of office, doubled her acreage under wheat, and increased the hands employed in her factories at a rate not known in Victoria during twenty years. But I do not wish to go into these local allusions.

Mr. DEAKIN.—But the right honorable gentleman was talking about Victoria.

Mr. REID.—Only in reference to the position taken up by the Prime Minister.

Mr. DEAKIN.—And I was speaking only in regard to the attitude adopted by the right honorable member in New South Wales.

Mr. REID.—Now I wish to come to another practical point. The leader of the Labour Party has put two definite demands before the Government, and I wish to know what is the position which they take up in reference to them. One of those demands is for a constitutional amendment—I do not know whether the particular monopoly was mentioned—to enable the tobacco industry to be nationalized, and the other is for the imposition of a progressive land tax.

Mr. WILKS.—The Treasurer squelched that.

Mr. REID.—I wish that my honorable friend would not take away my points as I proceed. I am coming to that matter. He may be quite sure that I shall not forget it. The honorable member is so genial and apt in all his interjections that one does not care to complain of them. With reference to the question of the tobacco monopoly, I think that the Prime Minister has sufficiently answered the demand for its nationalization, because in Adelaide he said:—

The Tobacco Commission, so far as the facts have been disclosed, has, I think, even in the opinion of many of the Labour Party, only made out a case for the regulation of that monopoly, not for its nationalization.

Mr. HUTCHISON.—I do not know one member of the party who holds that view.

Mr. REID.—I hope that the newspaper in which the report appears is not again inventing something. The statement which appears in the press is that in the view of the Prime Minister and that of many members of the Labour Party, the evidence taken by the Tobacco Commission had not disclosed a case which required anything more than regulation. I accept that intimation as sufficient to show that the Prime Minister does not favour the proposed amendment. I come now to the progressive land tax. At Ballarat, in March last, one elector asked the Prime Minister, very categorically, his views upon this subject, and this was the conversation that ensued between them:—

ELECTOR.—What about the land-tax?

I believe that the Prime Minister rubbed his head a little, and then said—

What land tax?

ELECTOR.—Mr. Watson's land-tax.

Mr. DEAKIN.—Oh. That question so far has been a State one. You can see my views on it in the discussion which took place in the Victorian Legislative Assembly.

A nice reply to this citizen of Ballarat. He was told to go and hunt up the archives of Parliament. That was the honorable gentleman's answer. But the elector continued—

Give them to us now.

Mr. DEAKIN.—I hold strong views on the question, but, as a Commonwealth member, I abstain from intruding my views upon State matters.

There was a clear-cut declaration of the Prime Minister that land taxation was a State, and not a Federal matter.

Mr. FISHER.—Does the right honorable member agree with that?

Mr. REID.—I am going to give my views on the subject presently; but I do not wish to be led off the trail. The leader of the Labour Party became a little more insistent. He was very much in earnest about the matter, and, in fact, a resolution in favour of a progressive land tax is on the records of the last Inter-State Conference.

Mr. JOSEPH COOK.—The leader of the Labour Party opposed it then.

Mr. WATSON.—No, I have been in favour of it always.

Mr. REID.—In Adelaide, the Prime Minister, speaking of land taxation, is reported to have said—

It may perhaps come in the future, as part of a complete scheme, but not as a means only of raising revenue.

Let us pause here. I wish to answer my honorable friend's question. I say what both parties—the Government party and my own—have said since Federation began, that the Commonwealth should use the Customs House for the purposes of Commonwealth revenue, except in case of national emergency, such as the danger of invasion, when it might be necessary to use all its powers of taxation.

Mr. HUTCHISON. — That is right! Squeeze the small man all the time!

Mr. REID.—The honorable member, as a protectionist, squeezes the small man pretty hard. A difference of 15 or 20 per cent. does not count with him when there is a proposal to tax something which the poor man requires. I have tried to protect the small man from the protectionist. The honorable member and his party think of only one class of working men, whereas I think of them all.

Mr. FISHER.—Does the right honorable gentleman consider an old-age pension system a national necessity?

Mr. REID.—I hoped that my meaning would be sufficiently clear when I said that a Commonwealth land tax should not be resorted to except in cases of grave national emergency—not for the ordinary purposes of revenue or legislation, but to meet some grave national danger. Talking of old-age pensions, I might remark that, in one of the speeches that were made, we were promised a Bill dealing with the subject; but I do not see more than a harmless reference in the Governor-General's speech to a report.

Mr. McDONALD.—Every Governor-General's speech has contained a reference to the subject.

Mr. PAGE.—The speech delivered by the Governor-General, when the right honorable member for East Sydney was Prime Minister, did not contain such a reference.

Mr. REID.—That is so. It was very short; only one subject was mentioned. In my opinion, the taxation of land is inseparably connected with the problems of land settlement, and each State which controls its own land should be allowed to work them out on its own lines.

Mr. HUTCHISON.—We must get rid of the Legislative Councils of the States first.

Mr. REID.—That is another matter. The people can get rid of anything if they wish to do so. That, I think, has been the line adopted by both parties from the beginning. The proceeds of a Common-

wealth land tax would go wholly to the revenue of the Commonwealth, whereas the States receive back three-fourths of the revenue derived from the duties of Customs and Excise. Not only would a Commonwealth land tax be an iniquitous interference with the powers of the States to deal with their lands, but it would also take from the States every penny of the revenue derived, whereas they receive back three-fourths of the amount raised through the Customs House. It must be remembered that the land policies of the States differ, while a Commonwealth land tax must be uniform, and might allow a crowded State like Victoria to dominate the destinies of Western Australia, where the conditions are absolutely different from those of this State. Such a project is not only opposed to the Constitution, and absolutely an interference with State rights, but wrong from every point of view. A week after the speech in which the Prime Minister said that he would not intrude his views on State affairs by dealing with the land tax, he was reported to have said in Adelaide—

It may perhaps come in the future as part of a complete scheme, but not as a means of raising revenue.

What did he say in Sydney a few weeks later?—

The land tax would not only be within the reach, but within the obligation, of the Federal Parliament.

Two months before it would have been an impertinence for the Prime Minister to interfere with the land tax, as it was a State matter, but at the end of that time it had become a matter within the obligation of the Federal Parliament—

It would be highly desirable to have one Federal land tax.

Mr. HUTCHISON.—Hear, hear.

Mr. REID.—The Prime Minister evidently had the right cue.

Rather than six different land taxes in six different States, there should be an arrangement by which a Federal land tax should be levied instead of the others.

That would impose over the land problems of the six States a uniformity which would be an absolute interference with the rights of the people of the States, and might allow the people of New South Wales and Victoria to dominate the land policies of Queensland, South Australia, or Western Australia, by the mere force of population. If we interfere with their

land problems, we may as well interfere with their control of the public schools, because the control of the public schools of Australia has not more firmly been left with the States than has the settlement of the land problems of the Commonwealth.

Mr. FRAZER.—Is it not the duty of the Senate to have regard to State rights?

Mr. REID.—I am not at present dealing with that view of the matter. In my opinion, the proposed Commonwealth land tax would be an absolute invasion of the rights of the States.

Mr. HUTCHISON.—Then why was the levying of such a tax provided for in the Constitution?

Mr. REID.—For purposes of revenue. But the object of this progressive land tax is not to obtain revenue, because the leader of the Labour Party has absolutely stated that it is not to be levied for any such purpose. He says that he does not expect that it will yield revenue.

Mr. WATSON.—I said that it was not put forward primarily for the purposes of revenue. Of course, it must yield some revenue.

Mr. REID.—I think that I do not misrepresent my honorable friend when I say that he did not lay any stress at all on the revenue aspect of the case.

Mr. WATSON.—Quite so; but I did not say that it would not yield any revenue.

Mr. REID.—That may be so. My honorable friend suggested that the tax would not do any great injustice, because persons could easily avoid it by getting rid of their land. He has been perfectly clear on this matter. His object is to settle the land problems of the States by the Federal authority, and I say that to do so would be an absolute outrage on the principles of the Constitution. I may be wrong, but that is my view.

Mr. WEBSTER. — The right honorable member is wrong.

Mr. REID.—I feel absolutely crushed by the honorable member's statement. I come now to a remark of the honorable member for Moira, who, turning to the Labour Corner, spoke of Socialism as a dream, and something upon which no sensible man would waste his time. I do not take that view of any policy submitted by the Labour Party.

Mr. KENNEDY.—I said that I did not agree with them when they followed dreams and visions.

Mr. REID.—I think that the honorable member used the word "dream."

Mr. KENNEDY. — Yes; but not in the sense suggested by the right honorable member.

Mr. REID.—I think that my honorable friend put Socialism aside as a matter which we need not seriously consider. I differ from him. I say that anything which the Labour Party puts over its front door as the objective of the labour movement is deserving of the serious consideration of every public man, and that the Labour Party has behind it a power which only an ignorant man would affect to despise. I do not underrate the power of the Labour Party and of the labour leagues of Australia. My honorable friend knows very well the meaning of the word "objective." The meaning is similar to that which attached to the plan of campaign Lord Roberts adopted for the capture of Pretoria. He might march and countermarch hundreds of miles away, but his objective was the point upon which all these movements centred, and the supreme point to the attainment of which all his energies were devoted. The Labour Party have not kept their objective buried in the cellar. They brought it out of the cellar last year in New South Wales, and adopted it at the Inter-State conference by thirty-five votes to one, and it now stands forward, as the leader of the party has said, as the beacon light to which they are all steering. We know that when a man leaves one port for another, he may tack this way, and that way, but always has one object in view, that is to make the port of his destination—to make the objective for which he started. And just as the mariner who leaves Sydney for San Francisco may describe a number of evolutions on the way, he has always one end in view, and that is to get to San Francisco. So it is with the Labour Party of Australia. They have a distinct objective. I do not know that all the members of the caucus believe in it, because they are cooling down considerably upon it, although the Political Labour Leagues have not done so, because they adopted it at the Inter-State conference, which was attended by representatives of the six States, by a majority of thirty-five votes to one. Therefore, I do not regard this as an idle matter. I look upon it as serious, and the fact that the leader of the Labour Party very properly

"We are only going to take one step at a time," does not reassure me. I do not know of any one who could take more than one step at a time, however hurried he might be. I know that I could not. What is meant by that expression, however, is, "We will go slowly while we are not sure of our strength, but when we have strength enough we will reach our objective by the shortest possible route available. When our army is strong enough we will push forward, because we believe our objective to be a good thing for the people of Australia." That is a proper point upon which to fight any battle, and the question then becomes, "Is it a good thing?" If it is a good thing the Labour Party ought to succeed. But I do not think it is a good thing, and I am going to fight the battle against it. It is one of the silliest things in the world to ask for a definition of anti-Socialism, because anti-Socialism is merely opposition to Socialism. If you are putting out a fire, you do not need to point out what anti-fire means. When there is a fire blazing, you are anti-fire, because you are trying to put it out. When you are so engaged, who asks questions as to your attitude? You see a fire raging, and you wish to put it out, and if any one asks you to define your position you merely say, "Do not bother me. This is a fire—I think it is dangerous, and I propose to put it out."

MR. HUTCHISON.—But the right honorable gentleman does not propose to put it out.

MR. REID.—I hope that my honorable friend will not say that. I think that I am proposing to put it out, and, what is more, I think I shall succeed. I should like to put my view of this matter to many persons who, with a fair show of reason, say when I draw a complete picture of a socialized Commonwealth, "Well, Mr. Reid, it is absurd for you to deal with the question from that point of view. All we propose to do is to take one step at a time. We propose to nationalize this industry, and that, and some other, but we shall only do it gradually." I think that I am perfectly fair when I say that, before the people of Australia adopt one part of this policy, I am entitled as a public man to show what its ultimate consequences will be—to show that the nationalization of the tobacco monopoly, for instance, is merely one step on the march to a destination. I am entitled to review the

whole of the march to that destination. Those who dispute my claim to take this course are taking up an unreasonable attitude. Suppose that you were offered the corner lot in a subdivision, and that by taking up that corner lot you would commit yourself to the purchase of successive lots until you acquired the whole of the subdivision. Would it not be silly to ask you not to consider the merits of the whole subdivision, but to confine your attention to the corner lot? If a man warned me off the subdivision, and told me that I need concern myself only with the merits of the particular lot under immediate offer, I should say that he was distinctly wrong. Similarly, when I am told that I must pay regard merely to the merits of a proposal for the nationalization of the tobacco industry, I say that I am entitled to consider the objective towards the attainment of which that proposal marks merely one step. I am glad that my honorable friends of the Labour Party have not raised any difficulty with regard to their objective. I propose now to set forth the Labour Party's objective in a manner which I think will be fair, because I intend to quote from one of the leading labour organs in Australia, namely, the *Brisbane Worker*. I am not taking my own view, but am giving that of one of the leading labour journals of Australia.

MR. WILKS.—It is one of the most outspoken and able of the labour journals.

MR. REID.—I will not deny that. Everything I have read the *Brisbane Worker* has been as straight as anything could be.

MR. PAGE.—The right honorable gentleman would not have such a "set" upon it if he read it more diligently.

MR. REID.—That may be, but one has not time to read many newspapers. Now, after the objective of the Labour Party was framed at the Inter-State Conference, the *Brisbane Worker* dealt with it in this way—

The Queensland objective—

I think I am right in saying that that is the nationalization of the means of production, distribution, and exchange.

MR. WATSON.—That was the objective of the New South Wales Labour Party when the right honorable gentleman accepted its support.

MR. REID.—When my honorable friend says that, all I can tell him is that it must have been buried down in the cellar—it was not on the fighting platform at all.

HONORABLE MEMBERS.—Yes, it was.

Mr. WATSON.—It was not on the fighting platform, but it was the objective all the same.

Mr. REID.—All I can say is that the nationalization of land was on the platform too, but when my honorable friend assisted me in passing a Bill to deal with the taxation of land, nothing was said about that then.

Mr. WATSON.—Yes, there was, because we inserted a nationalizing clause, and the honorable member supported it.

Mr. REID.—No. As I said before, if honorable members do a good thing in the way of supporting me, I shall never quarrel with them. They will never have me telling them that they are "nibbling away the sausage of Australian independence" bit by bit. If they support me they are all right for once, at any rate. The *Brisbane Worker* says:—

The Queensland objective is more comprehensive, and more exact in expression. It is also, we hold, more honest in intent.

The New South Wales objective goes really as far, but it does not seem to do so, and for that reason may be said to carry the stigma of guile. It reads as follows:—

"Securing of the full results of their industry to all producers by collective ownership of monopolies, and the extension of the industrial and economic functions of the State and municipality."

In what can be secured "the full results of their industry to all producers" except by the collective ownership of all the means of production?

Mr. FISHER.—That is comment.

Mr. REID.—Yes, that is not in the objective, but a portion of the article, and I echo that criticism. The Labour Leagues have been straight enough with regard to their objective. I have often complimented them upon putting their views in plain black and white. What I am quoting is plain black and white, but some honorable members appear to want to get away from it.

Mr. JOHNSON. — They have lit the fire, and are running away from the smoke.

Mr. REID.—I do not think the Labour Leagues will do anything of the kind. At any rate, I am making my preparations on the supposition that they are going to fight till the last, and I do not think that I shall be far out. The article proceeds:—

The mention of "monopolies" is utterly irrelevant, and that it has been merely dragged in, and is not of a piece with the rest of the sentence, is made evident by the improved reading which we get when that passage is omitted, thus:—"Securing the full results of their industry to all producers by the extension of the

industrial and economical functions of the State and municipality." It will be seen at once that no limit is placed to "the extension of the industrial and economical functions of the State and municipality." In that respect the two objectives are in agreement. The New South Wales objective therefore is every bit as far ahead as that of the State. It aims to secure to all producers the full fruits of their industry by State and municipal ownership. No objective short of communism could go further.

There is a straightforward explanation of the objective which I accept, and act upon. Why, then, do I look at the complete scheme? Because it is proposed to bring all producers under the principle.

Mr. JOSEPH COOK.—There is no dissent from that from the Labour corner.

Mr. REID.—I did not think there would be.

Mr. FISHER.—Why should we dissent?

Mr. FOWLER. — The right honorable gentleman is helping us to publish our principles.

Mr. REID. — I wish to read a few extracts from speeches made by the Labour leader, Mr. Watson, in various places, in order to show that this is really the view which that honorable gentleman takes of the objective, or at any rate did take of it then. The *Brisbane Courier* of 1st June, 1905, reports the honorable gentleman as saying—

The Labour Party has for years been engaged in a socialistic agitation, which has for its object the curtailing of the liberty of the subject.

Of course that is obvious.

Mr. WATSON. — I have had a lot of assistance from the right honorable gentleman in that direction also.

Mr. REID.—As I have already said, I am prepared to go as far as honorable members please in the way of smoothing out opportunities for private enterprise. I shall give honorable members my assistance always for that purpose; but I draw the line and part company with them when they ask me to suppress private enterprise and replace it by Government-run factories.

Mr. KING O'MALLEY.—We do not ask that.

Mr. REID.—I know that my honorable friend does not, but he comes from Tasmania. In the next month in Queensland the leader of the Labour Party said—

The collective principle is the beacon light guiding the Labour movement.

In the same month he said—

I for one believe that Socialism is inevitable, and that the trend of modern industrialism could admit of no other solution. There is no

escape from the tyranny of capital. Without the slightest difficulty money could be found to buy out every enterprise in the land.

That is plain enough. The honorable gentleman gives his own personal guarantee that he can raise the £1,000,000,000 without the slightest trouble.

Mr. WEBSTER.—How much?

Mr. REID. — The amount is £1,000,000,000. I do not say that honorable members would give that much to the present owners of these enterprises, but that is Mr. Coghlan's valuation of them. In July of the same year, in the Protestant Hall in Sydney, Mr. Watson said—

The Socialism of the Labour Party was this: they looked forward to the ideal when collectivism took the place of competition in the world—when production would be for use and not profit.

I think that was the aboriginal state of the dismal tribes of antiquity. Everything with them was for use, and not profit. They never lived beyond the day.

Mr. JOSEPH COOK.—That is continental enough for anything.

Mr. REID.—I quote these passages to show that the leader of the Labour Party has publicly declared himself in the spirit of the objective. That objective points to complete Socialism. I have accepted the challenge, and if my honorable friends are right, I shall be defeated, and properly defeated.

Mr. WATSON.—But the right honorable gentleman should not call himself an anti-Socialist.

Mr. REID.—I think it is the greatest absurdity in the world which describes a man as a Socialist, because he uses the power of the State to promote the opportunities of private enterprise. The radical difference between a Socialist and an anti-Socialist should be obvious enough. The Socialist says that capital, private industry, and the relations between employer and man are all wrong, and all rotten, and that the result of them is that the man is defrauded, that capital defrauds him of that which belongs to him. If that be so, Socialism is justified. I shall not take up the time of the House in arguing the matter here. I am only anxious to put the question clearly. I wish to say that one of my strongest objections to Socialism is that it begins by destroying the liberty of the individual, and that the object of it is to destroy individualism.

Mr. WATSON.—No, to expand it.

Mr. REID.—I shall expand the expression I have used, and it is one very commonly used.

Mr. FOWLER.—In the sense that a policeman destroys the liberty of the burglar, that is all.

Mr. REID.—We will take that definition: Every man who has got a farm is a burglar. Every man who has got a factory should have a policeman to run him in and stop his factory, because he is a burglar. Every man who runs a team on the roads is a burglar, and some policeman should run him in. Every man who has a shop, a warehouse, a ship, or any implement of private enterprise is a burglar, and should receive the attention of the police. I am glad that the honorable member for Perth is a straightforward Socialist. I am much obliged to him, and I have no more to say on that subject.

Mr. FISHER.—That is the kind of argument which makes the statements of the right honorable gentleman ridiculous.

Mr. REID.—I wish now to ask the Prime Minister whether this progressive land tax, of which we hear, is to be an open question in the Cabinet.

Mr. WILKS.—Or whether it is to be lost in the forest.

Mr. REID.—We may all have strong differences of opinion, but we all have a certain admiration for the right honorable the Treasurer, because of the way in which he will occasionally break over the traces. The right honorable gentleman, who is the custodian of the Commonwealth finances, replies to the financial policy of the Prime Minister, as expressed in Sydney that the Federal land tax, which is to suppress all State land taxes, is an indirect way of robbery, that it is indirect confiscation.

Sir JOHN FORREST.—No, no; I did not say that. I said it was introduced for the purpose of bursting up estates.

Mr. REID.—I should like to read the very words I am going on, and this time I will stick to the press, because I quote from an interview reported in the most reliable journal in Australia—the *Melbourne Age*. I find that the right honorable gentleman is quite right. The expression he used was this—

Bursting up estates seems to me another way—an indirect way—of confiscation.

Sir JOHN FORREST.—I said it was introduced with that object.

Mr. REID.—If it does it, it is it. Surely the right honorable gentleman admits that

if it does it, it would be wrong even if it were not introduced with that object? The thing would be the same whatever was in the mind of the man who introduced it.

Sir JOHN FORREST.—I said that if it were introduced for revenue purposes—

Mr. REID.—Is the right honorable gentleman going to climb down on what he said?

Sir JOHN FORREST.—Not at all.

Mr. REID.—Very well.

Sir JOHN FORREST.—I do not wish to be misrepresented. If the right honorable gentleman will read all that I said I shall be quite satisfied. But I do not think he should pick out portions of what I said.

Mr. REID.—I am reading what the right honorable gentleman said.

Sir JOHN FORREST.—The right honorable gentleman commenced by a reference to the bursting up of estates. He did not begin my statement at the beginning.

Mr. REID.—I do not think that any reasonable critic will expect me to read the whole of a speech because I make a quotation from it. I shall read the expression of the right honorable gentleman's view on this point, towards the end of the interview. The right honorable gentleman generally comes with a strong rush towards the end.

Sir JOHN FORREST.—I said something about land, like anything else, being subjected to taxation.

Mr. REID.—Quite so.

Sir JOHN FORREST.—Then why does not the right honorable gentleman quote that statement?

Mr. REID.—I am quoting the right honorable member's remarks in opposition to the proposed land tax.

Sir JOHN FORREST.—But do not misrepresent me.

Mr. REID.—If I were to begin talking about misrepresentation, I should become bilious. It is impossible to give every word of a long speech from which one makes extracts. No one ever expects such a thing from any one but myself. The Treasurer went on to say—

I am altogether opposed to a Commonwealth land tax.

Is that right? What does the right honorable gentleman say to that?

Sir JOHN FORREST.—Everything I said is to be found in the report.

Mr. REID.—The right honorable gentleman continued—

I am surprised that any one should think it necessary, for Commonwealth purposes, to embark on land taxation—

This is the Treasurer speaking to the Prime Minister—

Such a proceeding would make federation ten times more unpopular. At any rate, I am absolutely opposed to it.

That is a straightforward declaration, and I can understand it.

Mr. JOHNSON.—Does the Treasurer still hold to that position?

Mr. REID.—I am sure that he does. I want now to refer to one or two very important matters that are not mentioned in the Governor-General's speech. A number of interesting announcements in connexion with Captain Collins, Mr. Knibbs, and other gentlemen who have been appointed to the Public Service of the Commonwealth, are made in it; but I think that it is quite unusual for such trivial matters to find a place in a Speech from the Throne. One of the most important matters that should have engaged the attention of the public is omitted from the speech. Five years ago we passed an Act providing for the repatriation of kanakas from Queensland. Under that law, within six months from the present date every agreement between a planter or other person and a kanaka in Queensland will be absolutely void. Such agreements are to terminate on 31st December next, so that six months hence any person who employs a kanaka will be liable to a penalty of £100. The expression in the Act is, I think: "Under the provisions of the Pacific Island Labourers Act." I am not familiar with that measure, but my honorable friends from Queensland, who know more of it than I do, will correct me if I am wrong. I understand that the effect of that provision, read with the Queensland Act, is that after the 1st January next no kanaka can be employed under agreement in Queensland. The agreements will be cancelled after the date named, and any human being in Queensland who employs these unfortunate men thereafter will be liable to a penalty of £100. Surely the question of the deportation of the kanakas ought to have attracted the attention of the Commonwealth Government. Wherein lies the importance of the appointment of Mr. Knibbs as Government Statist, or of giving Captain Collins a trip to London, as compared with the position of these islanders who, within six months, will be absolutely deprived of their means of existence in Australia? Surely this question might well have engaged the attention of the Government, and should have

been referred to in the Governor-General's speech. Whilst we were perfectly resolved to bring about this change, I am certain that there is not one representative of Queensland who does not earnestly desire it to be made in the most humane and considerate manner. This Parliament will be exposed to odium if these men are not sent back to their islands in the most careful and humane way. They cannot remain in Queensland, because they are denied the right of subsistence by work there after the end of this year. The subject is one that might well have been brought to the notice of this Parliament, and I consider that in this regard there has been a lamentable oversight. There is another matter to which I desire to refer, and to which no reference was made by His Excellency the Governor-General. I do not blame the Government for that, because I admit that the subject comes within the category of those that might well be omitted from the Governor-General's speech. We are told that the Government took a strong proceeding in defence of the rights of self-government in Natal, and protested against the interference of the Imperial Government in local concerns. That protest came from a Government most of the members of which, two or three months ago, addressed a petition to the Prime Minister of England—because an address to the King means an address to the Prime Minister; the King can do nothing in active legislation—for a change in the parliamentary system of Great Britain. The very Prime Minister who stood up for the right of Natal to manage her own affairs approached the Prime Minister of Great Britain and Ireland—approached the British Government—with a request that the parliamentary system of Great Britain and Ireland should be altered.

Mr. DEAKIN.—The right honorable member appears to have already forgotten that I opposed that petition being addressed to the King, and had an amendment, striking out from the motion all reference to His Majesty. My amendment would have been carried but for an Opposition trick.

Mr. REID.—But did not the honorable and learned gentleman vote for the motion?

Mr. DEAKIN.—I spoke against the part of it in question, and had prepared an amendment that would have altered it.

Mr. REID.—The honorable and learned gentleman is being driven into a number of extraordinary positions. I moved an amendment, and the Prime Minister ought

to admit that it raised the position I took up. I understood there was some difficulty in putting my amendment.

Mr. DEAKIN.—So there was in regard to the amendment that I proposed. I gave notice of my intention to move that the petition to the King be omitted from the motion.

Mr. REID.—But that does not interfere with my argument.

Mr. DEAKIN.—It does absolutely.

Mr. REID.—I have just said that I do not consider that the petition in question was one to the King himself. I took it as a petition to the Prime Minister of Great Britain and Ireland.

Mr. DEAKIN.—I would not have sent it to the Prime Minister either.

Mr. REID.—Was there any secret power compelling the Prime Minister to vote for a petition to the King on the subject of Home Rule for Ireland? If the honorable and learned gentleman objected to a petition on the subject being presented to the King, was he really so irresponsible for his actions that he deliberately voted for that to which he was opposed? No explanation could put right such an action.

Mr. DEAKIN.—None, except that an Opposition trick shut the door on my amendment.

Mr. REID.—My point is that this Parliament should not have made any representation either to the King or the British Government on the subject of an alteration in the parliamentary system of the mother country.

Mr. DEAKIN.—So far, I quite agree with the right honorable member.

Mr. REID.—Then why did not the honorable and learned gentleman vote with me?

Mr. DEAKIN.—Because the right honorable member shut out the amendment I proposed moving.

Mr. REID.—Do not say that I did so.

Mr. DEAKIN.—Well, the Opposition did.

Mr. REID.—Surely that did not deprive the honorable and learned gentleman of his right as a man not to vote for something of which he disapproved. Surely this sort of position is not going to become fashionable in Parliament. I trust that such explanations will not be accepted. What hidden power was it that compelled the Prime Minister to vote against his convictions?

Mr. DEAKIN.—No hidden or other power affected my vote, or even sought to affect

it. I preferred the unamended motion to the amendment moved by the right honorable member, and had no choice except between the two.

Mr. REID.—There was no necessity for the Prime Minister to vote for that petition to the King.

Mr. DEAKIN.—I had either to vote for that or against "a just scheme."

Mr. REID.—Oh, oh!

Mr. DEAKIN.—The whole motion or none.

Mr. REID.—Now, the honorable and learned gentleman could not vote both ways, clever as he is.

Mr. DEAKIN.—The right honorable gentleman has done that often.

Mr. REID.—If our population, instead of having 20 per cent. of people from Ireland, or the descendants of Irishmen, had 20 per cent. of Poles and the descendants of Polish people, and only 1 in 10,000 from Ireland, I think that our friends would have put a little postscript in the petition to the King asking him to use his great influence with the Emperor of Russia to give self-government to Poland.

Mr. MAHON.—Hear, hear! Why did not the right honorable gentleman move that amendment?

Mr. REID.—I can understand Irishmen, or the descendants of Irishmen, voting for Home Rule.

Mr. WILKS.—Not all of them.

Mr. REID.—Because they look upon it as a patriotic thing to do, and they are people who have suffered, as we all know, most atrociously in the past.

Mr. MAHON.—Which the right honorable member tried to perpetuate.

Mr. REID.—No. I raised that very issue.

Mr. MAHON.—The right honorable gentleman did when he opposed the petition.

Mr. REID.—The honorable member must allow me to proceed. I implored the House not to bring this question into the arena of Australian politics. I did not wait until the House had made a mistake and then criticise it. From my place at this table I put it strongly to the House that this was a matter concerning the local self-government of the people of the Mother Country, that just as we would not allow them to interfere with our affairs, we ought not to interfere with theirs, that on the eve of a general election in the Mother Country it was particularly objectionable, and that we could trust the wisdom and justice of the

people of the Mother Country to remedy every just grievance of Ireland. I asked the House to keep that burning question out of Australian politics, and they might have responded to my appeal; they might have said, "On consideration, we agree with your views, and we will not commit this mistake." But, in spite of my putting this position clearly and plainly, and moving an amendment which raised these considerations, my honorable friends brought the question within the sphere of Australian politics, because no House has the right to use the name of the Australian people without authority. There are occasions of national grief and misfortune which call for national manifestations in which the mass of people are one, and in which the Government, in approaching the Throne, represents the feelings of the whole people. But even in Australia this is a burning question. It is a matter on which there are strong differences of opinion. The result of adopting the petition was that every man who considers that his authority was abused has the right to demand an account of the action of his representative, and it is too late to say that we are raising this question. The intrusion of such a question is by those who used the name of the people, not by those who opposed it. There is another important matter which is not mentioned in this speech. Surely the book-keeping arrangements of the Commonwealth form one of the most important matters that could engage the attention of this Parliament.

Sir JOHN FORREST.—I think that clause 18 of the speech covers it.

Mr. REID.—It seems to me a very important matter.

Mr. DEAKIN.—It will be dealt with in the Budget.

Mr. REID.—I accept that explanation, which may be a perfectly proper one.

Sir JOHN FORREST.—Clause 18 does cover it.

Mr. REID.—It is a fair reply that it may be considered a matter for the Budget, but it certainly is one to which we shall have to address our serious attention. I come now to the Commerce Act and the regulations which have been issued under that measure. There is an impression that the Opposition are opposed to legislation to put down adulteration and frauds. That is an absolute injustice. There is no human being, I hope, in this Parliament who will not give the fullest powers to prevent

adulteration or frauds, especially any fraud in connexion with food. There is no quarrel or difference on that subject at all; but once you have legislation to prevent frauds and adulteration the law should stop. It should not interfere more than is absolutely necessary with the operations of trade, especially with the operations of the Australian exporters of Australian produce, because they have to fight their battle, not here, but elsewhere, in competition with the whole world. If you create two sets of difficulties for them, you do not help them: you handicap them in the stress of competition. I am quite with those who would pass measures for the prevention of adulteration and fraud; but I submit that any attempt on the part of the State to become a guide as to the quality of an article, or the shade of quality of an article of commerce, is an attempt to undertake a function which it has no right whatever to assume. It is a delicate enough question, in all conscience, between buyers, to decide the precise quality of an article, such as butter. One of these people said to me the other day, "You may grade your butter as you like, but if you had a dozen Government brands on your boxes of butter no London buyer would buy a single box without sampling it. He would not take your brands." He will personally sample the butter to satisfy himself, and the effect of creating grades is that the first grade butter will be the same as if there was no mark on it at all, and if first quality be branded by the Government by mistake as second quality, the buyer will take every care to get the benefit of that mistake. If the first quality be branded by mistake as second quality, he will say: "This is only second quality, and I must give you so much less." It may be just as good, however, as the butter which is branded "first." Why should the Government involve themselves in these extraordinary complexities of relative qualities? Let us suppress adulteration and fraud; but this attempt to grade commercial articles is, I think, a hideous mistake. In my view there has been a gross abuse of the understanding in this House when the Commerce Bill was being considered. The honorable member for North Sydney asked the Attorney-General a question about grading when the Bill was going through the House, and according to a letter from the secretary of the Sydney Chamber of Commerce, who refers to *Hansard*, but does

Mr. Reid.

not give the page, the honorable and learned gentleman said—

We are not taking the power to create qualities, grades, sizes, weights, and ingredients. . . . I am trying to answer the honorable member's questions. We do not intend to create grades.

There is an absolute statement by the Attorney-General as to the effect of the Bill, and the Minister in charge of it said—

There is to be sufficient grading to enable us to distinguish bad goods from good goods.

I can understand that in the sense of adulteration or fraud, but I do not think that any one took the remark to set aside the deliberate statement of the Attorney-General as to the effect of the Bill. I strongly object to these stretches of authority in connexion with the trade of the Commonwealth.

Mr. PAGE. — The Government do not grade, do they?

Mr. REID.—There is a series of regulations which have been sent out by the Government, and which—I have not very carefully read them—I think provide for a series of qualities, first and second. If the butter is honest and sound, not adulterated, I hold that the branding of a man's goods as first class or second class is an unwarrantable infringement of the rights of the producers of Australia. It never does any good, because a London buyer will not take the brand for No. 1 quality, but will give a No. 2 price for a No. 2 brand, even if the quality is really first class. That is a great pity, because, as I say, our producers are struggling under a number of difficulties in meeting the competition of all countries and all colours; and anything which impedes the success of our producers is a calamity, and only justifiable in the cases I have mentioned, namely, fraud or adulteration.

Mr. FRAZER.—Do the butter exporters object to having a Government brand?

Mr. REID.—I believe there is a great difference of opinion—that a large number are in favour, while a large number are against a Government brand. But I do not care what the exporters think—whether they are for or against. We have no right, I say, to go into shades of qualities of honest goods—goods not adulterated. We have troubles enough in carrying on the Commonwealth without entering into projects of this sort. I now wish to refer to the Anti-Trust Bill. Again, we on this side are prepared to deal with monopolies and trusts just as severely as, I think, are my

friends opposite. But let me call the attention of the House to one clause in this Bill. I should like to ask the special attention of honorable members opposite, and of the Prime Minister to clause 5, which provides—

The Comptroller-General, whenever he has reason to believe that any person, either singly or in combination with any other person within or beyond the Commonwealth, is importing into Australia goods (hereinafter called "imported goods"), with the intention that they may be sold or offered for sale or otherwise disposed of within the Commonwealth in unfair competition with any Australian goods, may certify to the Minister accordingly.

I appeal to the House. Whilst honorable members are prepared to suppress trusts, and may be prepared to increase Customs duties so as to regulate the importation of goods by single importers, in the ordinary operations of trade, I ask whether the House is prepared to apply the provisions of an Anti-Trust Bill intended to suppress trade combinations, to any individual importer of goods in Australia, whether he is or is absolutely not connected with a trust.

Mr. PAGE.—That is anti-Socialism.

Mr. REID.—But my dear friend—if I may so address the honorable member for Maranoa—what I desire to say is that it is wrong to adopt a protective prohibitive policy under cover of a series of departmental inquiries. Let the importers know what the position is. If we think it right to make a certain duty 30 per cent. instead of 20 per cent., then let us make it 30 per cent., so that the importer may know what is the price of his admission to our ports. But we have no right to fix a Tariff of 20 per cent. and let an importer bring goods under that Tariff, and then allow a Minister, on a report from a Board, to find that the importation of those goods tends to prejudice Australian manufacture or the remuneration of labour in the factories. Of course, manufacturers always say they cannot pay their men at a certain rate unless they get more duties—that has always been the cry. The wrong lies in this—that a man comes prepared to pay the duty, which is the toll on entering the market, and the Department can shut out his goods and put them on the list of prohibited imports, because some manufacturer says that if they are allowed to come in they will interfere with him and his business. That is a way of bringing in a prohibitive Tariff by regulation, which I do not think any man ought to be in favour of. It is infinitely better to put

the duties up than to entangle people in that way. There are one or two other matters to which I desire to refer, including that of the re-distribution of seats. I do not understand the reason why the resolutions affecting New South Wales and Victoria have been put off for a fortnight or so. There may be some reason, but what I am anxious about—

Mr. GROOM.—The resolutions in regard to all the States are fixed for the same date.

Mr. REID.—Are they? I was told that was not so—that they were down for different dates. What I want to impress on the House is, first, that after two or three good seasons all the talk about towns being depopulated in New South Wales is shown to be absolute nonsense. The rolls, after good seasons on the Darling, show an increase on the previous rolls of only 2,000 electors, although those of nineteen and twenty years of age a year or two ago are now twenty-one years of age. In the case of the Riverina there are only 800 additional electors, after the good seasons of two years before.

Mr. WATSON.—But the rolls are in rather a bad state.

Mr. REID.—They have always been so; I think the state of the rolls a crying shame. All the talk which we had from the Minister, and which, I suppose, was accepted, about depopulated towns has been proved to be absolute fiction. There were, no doubt, people who left districts, but not in any numbers to warrant the arrest of a measure of justice. The difference then was 20,000 between different electorates, and that was an atrocious thing. I hope we will not act in a party sense in connexion with this matter. The redistribution has to be passed, and let us pass it at once. If we are going to pass the scheme I hope the Department will push on with the rolls. I do not attach much weight to what information comes to one, but I have been informed that, according to some of the electoral officers, unless this matter is attended to within a very few days, the difficulty of having everything in order by December will be serious. I cannot credit or believe the possibility, but such a statement has been made.

Mr. WATSON.—I think New South Wales will require a re-collection of names, the rolls are so bad.

Mr. REID.—As to anything that will tend to make a better system, we are all in accord. My own view is that we ought

to imitate New Zealand, and allow an automatic arrangement of boundaries as time goes on. With regard to the Capital Site, I am very glad that the Government are going to give a chance to settle that matter this session. I think we ought to settle it finally one way or the other.

Mr. FISHER.—And early.

Mr. REID.—Yes.

Mr. PAGE.—Will the right honorable member for East Sydney be satisfied if we choose the same site?

Mr. REID.—I accepted that site because I could not get a better one; and that is a sensible attitude to take, I suppose. But now there is a chance of getting a better site, and I am going to do all I can to get it.

Mr. FISHER.—That is another question.

Mr. REID.—It is a matter we will have to settle; but whatever we are going to do let us do it.

Mr. McDONALD.—The sooner the better.

Mr. REID.—The sooner the better. I can speak for my own State; and it is in the interest of every honorable member who represents New South Wales, whatever be his party, to see this matter settled. There is a justifiable feeling of resentment on the question, and we have only to put another State in the same position, to realize the feeling in New South Wales.

Mr. McDONALD.—The Government of Victoria have given notice of their intention to charge a rental of £3,000 a year for Government House.

Mr. REID.—Frankly, my surprise is that the Victorian Government did not do that long ago. I do not see why the Commonwealth should not be able to pay for such things. The State of Victoria has given us this magnificent Parliament House for years for nothing, or, at any rate, at only some small expense. I say frankly that, whilst we have no Government House of our own, and we use the State buildings, which must have cost the States large amounts, we ought to look on a demand of this sort in a friendly spirit.

Mr. McDONALD.—Then let us occupy only the Government House in New South Wales.

Mr. REID.—That is a matter we will have to consider in connexion with this question. I do not object to the Commonwealth paying for what we get. The Commonwealth is strong enough to pay, and we ought to do so. I utterly deplore the present state of things in this Parliament. I feel that we cannot get to

a sound position until the people have a chance of deciding what is to be done. There will be a desire on our side to endeavour to pass any useful measures that may be submitted to us during the expiring days of this Parliament; and, so far as the Tariff is concerned, I certainly do think that, since we have appointed a Commission, and since the Commission is reporting already upon a number of things which ought to be attended to, we might all agree to do what we can in reference to removing hardships and anomalies which do not raise questions of principle. If a question of principle is raised, every man must vote according to his convictions; but as regards revision, in the light of hardships and inequalities, there may well be a general feeling of desire to remove every element of dispute.

Sitting suspended from 12.50 to 2 p.m.

Mr. DEAKIN (Ballarat—Minister of External Affairs) [2.1].—The duty of replying to the criticism that has been offered on the Governor-General's speech, which devolves upon me to-day, is one which can be easily discharged without imposing any serious burden upon the time of the House. The criticism to which the speech has been subjected was considerable on the part of the two honorable members who were good enough to move and second the Address-in-Reply. Suggestions were offered by them, which, of course, will receive full consideration in respect of the matters on which they were urged. It was but natural that the honorable member for Barker, in the course of his telling review of many important questions, should lay stress upon a national question which has an important bearing upon the State of which he is a representative, and I can assure him that the possibilities of the Northern Territory have by no means escaped the attention of this Government. So far as our opportunities have permitted us, we have followed up the proposed transfer of that Territory from the point at which it was previously laid aside, at all events for a time, at the suggestion of the Government of South Australia itself. We have lost no opportunity of advancing it, and very shortly the correspondence which will be laid upon the table of this House will enable honorable members to judge how fast we are coming to a practical issue. The great extent of that Territory, and the strategical importance of its position, must not blind us to the fact that the same work of development, which has been required

in more favoured parts of Australia from the white man's point of view, would be doubly necessary in a country where, in the low-lying lands at all events, the heat is severe, and in settlements which would be separated from us by a considerable voyage until the Transcontinental Railway shall have been constructed. But, freely admitting all these considerations, it appears to me that the Commonwealth, representing the whole of Australia, is under an obligation to undertake the care of and responsibility for that great tract of country, so soon as reasonable terms can be arrived at. There is a business side to the transaction, which cannot be neglected. Money has been spent by South Australia, and a good deal more will need to be spent by us. The taxpayers will require us to examine very carefully the amount of the commitment which the acceptance of this Territory would involve. Beyond that I know of no obstacle in the way of its transfer, and shall certainly be very glad for anything which can be done by us in that connexion. I confidently count on the assistance of honorable members generally to remove any obstacles which may exist. Passing by for the moment the other portions of the able speech of the honorable member for Barker, and turning to the cogent, practical, and spirited utterance of the honorable member for Moira, I have to admit that the restrictions under which we labour in dealing with the great question of immigration are those to which he has called attention forcibly. Speaking with his own intimate knowledge, not merely of this State, but of other States—in fact one might say of Australian farming and Australian farmers—he called attention to what has long been a serious evidence of an unsatisfactory condition of things in most of the States. This has caused the sons of our farmers to be driven far from the paternal home, although in the neighbourhood of that home there may be tens of thousands of acres well fitted for ordinary cultivation, or fitted, by the application of water, for intense culture—lands upon which they would gladly settle, but upon which they are not afforded an opportunity of settling at present. Beyond that I do not desire to go, because the facts involve, by implication, a criticism of the land legislation and administration, for which most of us have been more or less responsible in one or other of the States. But I fully admit that the proposals which will be submitted for the encouragement of

further agricultural settlers from Home must be safeguarded by assurances from the several States that such persons when brought out to Australia to be placed upon the soil shall be able to find land upon which they can settle with a decent prospect of earning by industry and ability the livelihood which they come to seek. In that regard, I may remind the honorable member that the letter which has been addressed to the Government of every State since I had the opportunity of meeting the Premiers in conference in Sydney, has requested from each as the most essential piece of information, a statement of the number of immigrants which each is prepared to absorb annually, and for whom they are prepared to find land. That information is necessary in order that we may know upon what scale the proposed efforts of the Commonwealth to put the circumstances of Australia before the people of the mother country, and to attract suitable settlers from there, shall be undertaken. With that knowledge to hand, I hope to be able to submit at a later period of the session—and probably in connexion with the Estimates—a vote which shall be reasonable in amount, having regard to the work that is to be accomplished. It will not be, so to speak, a project in the air. We shall not be drawing a bow at a venture. The vote will be proposed in accordance with the official representations of each State as to the number of people it desires, and the inducements which it is prepared to offer them. When equipped with that data, we can judge how best we may endeavour to reach that section of the population of the mother country, which hives off year after year, to some other portion of the world, to whom we can safely say—taking all conditions into consideration—that they will find better prospects in Australia than are now open to them, so far as I am aware, in any other part of the globe.

Mr. JOSEPH COOK.—Better in what respect?

Mr. DEAKIN.—Better in respect of the opportunities which will be afforded them of making an honest livelihood and of founding permanent homes with less disabilities than are imposed upon them elsewhere.

Mr. JOSEPH COOK.—And with a better prospect of keeping those homes?

Mr. DEAKIN.—I believe so. I believe that in Australia they will be absolutely

secure, to a degree that is unknown in many other countries.

Mr. FULLER.—Is it proposed to encourage the immigration of artisans?

Mr. DEAKIN.—Of course the development of agriculture will necessarily increase the opportunities for employment which are afforded in the towns, and there we can trust by means of industrial legislation to tempt other classes of workmen. An immigration policy, based upon official assurances, proceeding upon facts, and put fairly before the people of the old country, will, I hope, represent the initiation of a great movement. Taken in concert with those amendments of the land laws, and their administration, which it is a matter of public notoriety several States are considering, this ought to put us in a better position in the mother country than we have ever occupied before, both from the standpoint of attracting suitable immigrants, and of providing for them when they come hither. I quite recognise the necessity for proceeding with caution at the outset, because any blunder—any set back at this time—would be liable to re-act upon us for a considerable period. The House has always recognised that any provision for the encouragement of agricultural immigrants can be neither primary nor exclusive—that we need to see first that those farmers' sons to whom the honorable member for Moira so aptly alluded are not shut out of their patrimony. But in this immense continent there is room and far more than room, for all the farmers' sons we have, and for all that we can attract here. If they do not obtain the best opportunities for commencing life in this new world, the fault will lie very much with its legislators. We are perfectly aware of the differences in climatic conditions, of the existence of unsuitable districts in which agriculturists would be unwisely planted, and of the burdens which would be imposed on them, if they were placed too far away from markets or from railways. Having a knowledge of these facts, we should be able to provide against our old mistakes in legislation. An endeavour is being made in some States to prevent past errors. With our experience of the past, and the knowledge that even what were previously deemed unfruitful parts, are capable of successful cultivation by means of modern appliances and methods, some of which are of comparatively recent discovery,

we are in a position to embark in what I believe will prove to be a successful competition for immigrants of the same blood as our fathers, of the race which has made Australia, Canada, and New Zealand what they are. There is, in the old land, no dearth of persons seeking new homes, and, in providing new homes for such persons, while we shall do a great deal for them, we shall do much more for the future of the Commonwealth. With that brief reference to the speeches of the mover and seconder of the Address-in-Reply, I come to the criticism of the leader of the Opposition. His remarks on the Governor-General's speech dealt mainly with an omission. The repatriation of the kanakas now in Queensland has not escaped the attention of the Government, but the subject, as well as certain other topics, was not referred to in His Excellency's speech, because our programme appeared likely to grow to inordinate length. In point of fact, we have not heard any complaints about it on the score of its brevity. But the public have been kept very fully aware, through the press, of the steps which this Government has taken. Last year we opened communications with the Queensland Government, in order to inform ourselves of the actual number of kanakas whom it would be necessary to repatriate. We have obtained from that Government, from time to time, rather meagre lists of those who appear to have, under the Act, the undoubted right to remain in Queensland, because they went there prior to a certain date, or engaged in certain vocations. But we have also sought to inform ourselves of those who may have what may be called reasonable moral claims to be allowed to remain, either because they have married white women, or because they have established themselves in such a way as to give them some claim to permanent residence. So far, we have only partially succeeded in obtaining that information. But a Commission appointed by the Government of Queensland to investigate the matter has been sitting for some time, and is required to report this month. It has proceeded from place to place in the sugar districts, inquiring into these questions, and endeavouring to ascertain how many kanakas there are, what are their conditions, and what claims deserving of respect they may have to remain in the State. We have asked the Queensland Government to oblige us at the earliest moment—confidentially,

if necessary, because, although the evidence has been taken in public, it has not yet been laid before the Queensland Parliament—with copies of the report and minutes of evidence, so that we may equip ourselves for action without the least delay. We are also in communication, through the High Commissioner of the West Pacific, with the British Resident in the Solomon Islands, and the British Resident in the New Hebrides, from whom we have asked the specific information what is proposed to be or can be done when repatriation commences in the groups over which they have charge. We have other information about these groups from unofficial sources, and we are aware that the Resident in the Solomons is particularly anxious to be able to receive and provide for that half of the kanakas who have come from those islands. It is believed that fully one-half of the kanakas in Queensland are Solomon Islanders. Hence there has been no neglect in this matter with which we are chargeable. The House will soon be made aware officially, by the laying on the table of the final replies giving the information desired of the steps which have been taken during some years past to provide for the humane and considerate treatment of the kanakas. The difficulties which appear to surround repatriation tend, on examination, to disappear rather than to increase. Partly because of the labour traffic, and partly for other causes, there has been a great depopulation in certain islands under civilized control, and no peril will be run by any native landed there, whether he does or does not belong to one of the few remaining villages. We begin to see our way, therefore, to deal not only with those who desire to return to their own villages and can do so, but also with others who do not wish to go back to their homes, for reasons personal to themselves or for other causes. We see our way, happily, to make safer arrangements than at one time appeared likely when it was thought that the only choice lay between returning the kanakas to their own villages and allowing them to remain in Australia. The leader of the Opposition, if he was not aware of these steps, had every right to ask for an explanation of what is being done; but reference was not made to the subject in His Excellency's speech, because it was not thought desirable to include all the subjects capable of being treated at present only in a tentative fashion.

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Mr. JOSEPH COOK. — Who is going to undertake this repatriation?

Mr. DEAKIN.—The responsibility rests upon us, since the repatriation will take place under Commonwealth law; but also with the Queensland Government, under the legislation by which kanakas were introduced into that State.

Mr. JOSEPH COOK.—Has the Prime Minister seen the statement of the Premier of Queensland, that he will take no steps in the matter.

Mr. DEAKIN.—I have seen in the press statements on this subject from all sources, but have heard nothing from the Premier of Queensland of that kind. The correspondence which has passed between us indicates no such determination on his part. Having thus disposed of the one criticism of the Governor-General's speech offered by the leader of the Opposition, let me say a word in respect to the parallel which he apparently intended to draw between the action taken by me in connexion with the recent disturbances in Natal and that taken upon the motion dealing with Home Rule submitted by the honorable and learned member for Northern Melbourne. There was no intervention of mine in either. As the papers have been laid on the table, it is not necessary for me to do more than refer to them; but, perhaps, I may remind those who have not read them that the terms of our cablegram to the British Government with reference to Natal were as follows:—

Since an intervention of His Majesty's Ministers for the United Kingdom with the administration of the self-governing colony Natal would tend to establish, even with regard to prerogative of pardon, a dangerous precedent, affecting all the States within the Empire, Your Excellency's advisers desire most respectfully appeal to His Majesty's Ministers for reconsideration of resolution at which they are reported to have arrived upon this matter.

I do not think anything could be more carefully worded. The precedent about to be established would have applied to us in the future as much as to Natal. Although, fortunately, the circumstances of this country do not render us liable to the particular peril which then threatened, and still threatens, the scattered settlers of Natal, where the white people form only a fraction of the population, yet, for all that, a precedent for intervention, once established, could, and probably would, have been applied to any or all of the self-governing States of the

Empire. Surely, then, it was well within our province to remind the Imperial Government that whatever action they might take in this particular connexion might at any moment in other connexions most vitally affect us as one of the self-governing States. Beyond that reminder we did not go. We passed no opinion on the merits of the question, but thought that we were quite justified in asking the Imperial authorities to consider the full consequences of the precedent which was then threatened, but was not established. If in the slightest degree our cable contributed to the decision arrived at, I think we have every reason to congratulate ourselves upon its promptness. With regard to the Home Rule resolution, my position was exactly the same, as was made perfectly plain from the outset. The motion contained three paragraphs, to two of which, if I remember aright, I took exception. I strongly urged that the portion of the motion which appealed to His Majesty through his Ministers should be deleted, and that this House should content itself with following our own precedent in the representations made with regard to the employment of Chinese in South Africa, by merely recording its opinion, as members of another place had been invited to do. This would have avoided all appearance of intervention on our part. Having pressed that strongly upon the honorable and learned member for Northern Melbourne, who was in charge of the motion, he, although still preferring to adhere to its original form, kindly agreed that the portions of the motion objected to should be withdrawn, and that the resolution should simply express the opinion of this House. The honorable and learned member was prevented from adopting that course, not by any action of mine or of other members on this side of the House, but by honorable members opposite, who, being altogether opposed to the motion, thought it better for their own purposes that it should be carried as originally proposed. Curiously enough, therefore, whatever responsibility exists for the appearance of interference from Australia because of the appeal to His Majesty rests upon the opponents of the resolution, and not upon me.

Mr. WILKS.—The Minister stated that honorable members should express their opinion to the people of England.

Mr. DEAKIN. — I stated that we should express our opinion, which it would

be open to the people of England to make themselves acquainted with, but I objected to any official appeal being made to His Majesty. I thought that if we expressed our opinion, the people of England would accept it for what it was worth, and then act as they thought fit. This was no intervention at all.

Mr. WILKS.—The Minister also said that we should express our opinion for the guidance of the people of England.

Mr. DEAKIN.—I said that we could express our opinion in favour of a just scheme of Home Rule, and not in favour of any particular party scheme. We declared a principle without putting forward any cut-and-dried political scheme. I believed then, and believe now, that a just scheme of Home Rule would contribute to the strength of the Empire, and was prepared to express my opinion to that effect.

Mr. WILKS.—The Minister stated that he had no objection to personal expressions of opinion outside, but thought it was undesirable that there should be any official expression of opinion from within.

Mr. DEAKIN. — That is immaterial now. So far as honorable members on this side of the House are concerned, the resolution would have merely expressed an opinion for the information of those at Home who cared to make themselves acquainted with it. It was owing to the amendments proposed by honorable members opposite that the resolution took the form of an address to His Majesty.

Mr. REID.—Could not the Prime Minister have avoided voting for a motion to which he objected?

Mr. DEAKIN.—I did not think that I should be justified in voting against the motion because it proposed to make an appeal to His Majesty. That did not warrant me in voting against a declaration in favour of a just scheme of Home Rule.

Mr. JOSEPH COOK.—In fact, the Prime Minister regarded it as a small matter.

Mr. DEAKIN.—No, I did not; but, as the honorable member knows very well, in public life our choice is in most cases not between the course one would follow in every particular, but between the only courses then open. We simply declared for justice. When it became a matter of choice between voting for or against an expression of opinion in favour of a just scheme for Home Rule, not otherwise defined, though it was accompanied by what I regarded as an unwise and unnecessary

petition to His Majesty, I preferred to vote for the just scheme. I could not honestly vote against justice.

Mr. JOSEPH COOK.—The Prime Minister might have brought down a motion of his own.

Mr. DEAKIN. —I communicated to honorable members on this side of the House the amendments that I proposed to move, and received an intimation that they would be supported; but the action taken by honorable members opposite prevented the honorable and learned member for Northern Melbourne from withdrawing the portions of his motion to which objection was taken.

Mr. REID. — Does the Prime Minister think that, as a Parliament, we had authority to represent the people of Australia in the matter? That was my main point.

Mr. DEAKIN.—Yes, that was the right honorable gentleman's main point, and I told him, in reply, that, when challenged, we were fully entitled to express our opinion. The wisdom, or otherwise, of adopting that course is another question. As to our right, there can be no doubt. In the absence of all criticism upon our conduct during the recess, even in the many matters mentioned in the Governor-General's speech, I am obliged to refer to the criticism which has been directed to myself. The leader of the Opposition was good enough to quote from my assertions that the co-existence of three relatively equal parties in this House was detrimental to responsible government. I have said that often, and, if it will satisfy the right honorable gentleman, will say it again. I have not altered that opinion, nor do I see any reason to alter it. We are carrying on constitutional government in this country—as we have been for the past three years—under the greatest disabilities, and while three relatively equal parties exist these disabilities must continue. I do not think any one in this House, or out of it, has risked more than I have in endeavouring to bring about a legitimate solution of the problem. I am not concerned now with personal justification, if such were needed. Other opportunities for that have been presented, and will still be presented. I simply mention the fact that I have gone to the extreme length that I thought just and fair in order to put an end to the three-party system, so far as it could be brought to an end, in order to permit of constitutional government being effectively carried on. I am bound to ad-

mit, however, that, so far, I have by no means succeeded to the extent that I desired. But, even in the face of the division of my party, and against the desires of some of my oldest and best political friends, I was not afraid to take the course in 1904 which I thought would have led to a proper and reasonable arrangement of a working character. I do not for one moment regret having sought that which I think it was the duty of each one of us to seek—that is, to endeavour, as far as lay in our power, to modify existing party relations to the degree necessary to give us an united and distinct responsibility on the part of the majority in this House.

Mr. JOSEPH COOK.—The Prime Minister has already said that he never intended that condition of things to last.

Mr. DEAKIN.—Which condition of things?

Mr. JOSEPH COOK.—The condition of things which the honorable and learned gentleman has just now suggested, the alliance in connexion with which he took such risks in order to restore responsible government.

Mr. DEAKIN. — I took the risks of entering into an alliance in the hope that by that means we should have a closer approach to responsible government. We have had constitutional government and responsible government of a kind. If there were thirty parties instead of three in the House, each independent of the other, we should have constitutional and responsible government, but it would not be consistently effective government as it ought to be in the interests of the people. In order to secure more effective government, I took that risk of alliance.

Mr. JOSEPH COOK.—The honorable and learned gentleman has stated since that he took that course only to gain breathing time.

Mr. DEAKIN.—That was stated in the agreement which was signed at the time. We knew that the alliance was made between two different parties who, on the fiscal question, were at absolutely opposite poles. Consequently we sunk the fiscal question for a fixed and definite term in the hope that by the time it expired we might have arrived at some arrangement of a mutual character which would have enabled us without any breach of fiscal faith to continue to carry on. But that was only a hope, and it was always recognised that if that hope failed,

quite apart from our own choice, and by the very force of events, we must necessarily resolve ourselves into our original parties. That was plainly foreseen, and expressly provided for.

Mr. JOSEPH COOK.—That was not what the honorable and learned gentleman said at all. He said something quite different.

Mr. DEAKIN.—What I have said is said, and remains on record. I only hope that when I am quoted the whole of the context of my remarks will be quoted in each case.

Mr. FULLER.—What have some of the honorable and learned gentleman's political friends on this side said about it?

Mr. DEAKIN.—They are as free to express their own opinions as I am to express mine. However deeply they dissent or have dissented from the view I have taken, so far as my judgment on the matter is considered, I have done right. I was and am bound to follow the course which commends itself to my judgment, irrespective of the criticism of friend or foe. What I was about to say was that, so far from having suddenly sprung my objection to three parties upon the House and the country, I proclaimed it directly it became necessary, and that was on the first occasion on which I addressed the public after the election at the close of 1903, when the three parties were returned in relatively equal numbers. It was when speaking at the Australian Natives Association's annual January celebration I first called attention in a pointed way, and with emphasis, to the existence of the "three elevens," and the necessity for ending or mending their separate and conflicting feuds by a partial and temporary fusion in order that practical legislation and consistent administration might be secured.

Mr. REID.—It had existed during the previous Parliament.

Mr. DEAKIN. — In a much modified form, because we had taken some considerable time to settle down, because while the fiscal question was before us we were divided practically into two parties, and because the work of Federal organization in which we were engaged removed a number of questions from the immediate political arena, the consideration of which at the time would otherwise have divided us. A similar condition of affairs existed to a certain extent in the previous Parliament, but only in a form which had been in existence in every State Parliament, and with which we were quite well acquainted.

The situation only became impossible at the close of the elections in 1903. It was before Parliament met that I expressed what the right honorable member for East Sydney chooses to call my abnormal appetite for alliance. Given three relatively equal parties, how can you carry on the business of the country without either an alliance or an understanding between two out of the three parties? It was impossible. We tried it in this House, and, of course, our Government went down early in the life of the Parliament. I have never complained that it did go down, because if it had passed the particular difficulty by which it was then faced, sooner or later the other two parties would have united against us, and we should have gone out. There is no reason for complaint because we went out. The Labour Party then came into power.

Mr. REID.—Is the statement that I quoted from the newspaper to the effect that the honorable and learned gentleman made some offer to the Labour Party to continue in office inaccurate?

Mr. DEAKIN.—I am coming to that. It says a great deal for the right honorable gentleman's lapses of memory to bring up as an entirely new accusation of his against me now what was made an accusation against me at the very time when I was in negotiation with him. I was then publicly reproached by members of the Labour Party, because I had been in communication with them after leaving office. I made public representations to the Labour Ministry that if they would consent to limit their measures for the session, or for a further time, to those which we were mutually agreed upon, and would consent to leave the rest of their programme in abeyance, I should be only too glad to keep them, or any other Ministry, in office, on the same terms.

Mr. REID.—I never heard of that offer until now.

Mr. DEAKIN.—I was attacked again and again, and had to defend myself in the right honorable gentleman's hearing in this House on that very ground. The right honorable gentleman will find from *Hansard* that I was censured in and out of the House, not by his own friends, but by members of the Labour Party, who thought that, after making that offer, although it was not accepted, I should have given them a longer opportunity of showing what the future might enable them to do.

Mr. REID.—I knew that the honorable and learned gentleman had been in communication with the Labour Party, but I did not know of any distinct offer.

Mr. DEAKIN.—It was stated in the press at the time, and the resolution in reply carried by the caucus was published. My offer was made in the very town-hall speech from which the right honorable gentleman quoted to-day at a gathering at which the leader of the Labour Party, then Prime Minister, was present. I then made an appeal to him to give the guarantees I have mentioned, and pointed out the conditions on which he could secure a majority to support him. So far from being secret, the matter was proclaimed from the house tops. It was often mentioned here afterwards, and yet the leader of the Opposition comes down in this extraordinary fashion to-day as if he had made a remarkable discovery.

Mr. REID.—The Vice-President of the Executive Council suggested that the newspaper from which I quoted forged that report. He said that the statement appearing in the newspaper was manipulated; so he could not have known anything about it.

Mr. DEAKIN.—The information appeared so often in the newspapers that it could not have escaped the attention of a single member of the House. I have no wish to go over the whole matter again in detail, but when the Labour Party came into power, they too tried the experiment of one party out of three relatively equal parties governing without an understanding with any other party. Finally, they arrived at an understanding with a portion of our party in order to maintain themselves in office; the very thing I had been pointing to as an absolute necessity if constitutional government were to be carried on. Then came the motion by which they were defeated. So far as I was concerned when I undertook to support the proposed amendment in the Arbitration Bill, as I said at the time, and as I have repeated over and over again since, I had not the faintest suspicion that it would be made a vote of want of confidence. The Labour Ministry was bound to go out as our Government went out, and as any Ministry formed from a single one of the three parties must go out. There was no question about that, but I have always regretted that the Labour Government left office so soon, as well as that they resigned on that

particular topic. There were larger matters upon which it was inevitable that they must come into conflict with the other two parties in the House, and on which they would have gone out, but with much less bitterness and on what I would have considered a more appropriate occasion. I was utterly irresponsible for the particular time and manner in which the Labour Government went out.

Mr. REID.—Surely the honorable and learned gentleman was not irresponsible?

Mr. DEAKIN.—Yes, because I had pledged myself to support that particular amendment in the Arbitration Bill when it had no party significance. It was not until days afterwards that the Ministry decided to regard it as a vote of want of confidence. When I agreed to support it, I had no idea that it would be made a Ministerial issue.

Mr. REID.—They were not defeated on a particular amendment, but on a motion to go into Committee to consider it, and the honorable and learned gentleman voted with us on that motion.

Mr. DEAKIN. — Because we had already, in connexion with the question of preference, agreed to conditions which I considered necessary, and naturally I did not consent to those conditions being altered. However, the Labour Government must have resigned, and it was only the choice of that or some other motion on which they should retire very shortly. I should have preferred if they had left office on a broader question. It was again an attempt by one of the three parties to govern the House without any alliance or understanding with either of the other parties, though eventually, they had an understanding with a portion only of our party. That is the position to-day. The right honorable member for East Sydney exults in comparing the numbers Ministers have with the numbers they ought to have. I would prefer the numbers we ought to have. I would much prefer to have a majority of our own party. No one denies that. But in the meantime, the King's Government must be carried on, and the business of the country must be transacted. So long as it is transacted in accordance with the programme and principles we submitted to the constituencies, we shall be only doing our duty to continue where we are. I recognise, however, that so soon as the right honorable gentleman comes to an arrangement with the other party

our Government too must go out. Previous Governments have fallen in that way in this House, and our turn will come whenever the majority chooses. We have no control over the Labour Party. We offered them nothing save that which is embodied in our programme. We have no undertaking with them with regard to the next elections. We have their general resolution, already published, to give us a support—

Mr. JOSEPH COOK.—It is not the Prime Minister's fault that there is no undertaking.

Mr. DEAKIN.—Certainly not; but it is the fact. Here we stand, united with them in a general way on the business that is being done in this Parliament. Individual members are perfectly free—

Mr. REID.—Were portfolios offered members of the Labour Party?

Mr. DEAKIN.—Not that I remember.

Mr. REID.—The honorable member for Kennedy, according to statements in the press, has said that there was such an offer.

Mr. DEAKIN.—I do not think that he did. If my memory serves me rightly, the Labour Party's resolution, to have no alliance, was passed some months before. That put their acceptance of portfolios out of the question.

Mr. REID.—Were they offered?

Mr. DEAKIN.—As I have already said, I remember nothing of the kind. Such an offer would have been practically meaningless, and hence there could have been no communication on the subject of portfolios. The honorable member for Kennedy said, I believe, that had the Labour Party chosen, it could have secured portfolios. Of that there is no doubt. Had they cancelled their previous resolution, and agreed upon the terms on which they would unite with any other party, they certainly would have had an offer of portfolios from my right honorable friend, the leader of the Opposition, or from myself.

Mr. REID.—The honorable and learned gentleman should speak for himself.

Mr. DEAKIN.—I am speaking with due regard to our experience of the right honorable gentleman. Has he not told us that he could not have carried any of the legislation he passed when Premier of New South Wales except with the assistance of the Labour Party?

Mr. REID.—In one Parliament I had a majority independent of the Labour Party.

Mr. WILKS.—They simply swelled the majority.

Mr. DEAKIN.—That is not the right honorable member's statement.

Mr. REID.—In one Parliament I had a majority independent of the Labour Party, and in another I had not.

Mr. DEAKIN.—In a statement here in the State *Hansard* made at the close of his Ministerial career in State politics, the right honorable gentleman admitted that, but for the Labour Party, he could not have passed a single measure.

Mr. REID.—I quite agree that I could not have passed the biggest measures, and they were measures for which I had fought all my life.

Mr. KELLY.—Were they not on his platform?

Mr. DEAKIN.—The Labour Party in the State Parliament adopted part of his platform when they went to the country. When I stated a short time ago that those who looked for the support and assistance of the protectionists of this country must consent to meet the needs of our injured industries, by granting protection to them, the right honorable gentleman said I was offering an insult to both parties. Yet he offered precisely the same insult to the Labour Party in the Parliament of New South Wales when he asked its protectionist members to sink their fiscal principle in order to help him to carry his land tax proposals.

Mr. JOSEPH COOK.—He did not ask them to do anything of the kind.

Mr. REID.—I never asked them to do a single thing.

Mr. DEAKIN.—I have heard protectionists, who were at the time members of the Labour Party in the New South Wales Parliament, say again and again in this House that the reason they put aside protection for the time was to enable them to support the right honorable member for East Sydney's Government in carrying the land tax proposals.

Mr. REID.—That is right.

Mr. DEAKIN.—Therefore, according to the right honorable member, when he asked them to do that, he offered them an insult.

Mr. REID.—I did not ask them to do anything.

Mr. DEAKIN.—The right honorable member asked them to put aside their fiscal faith in order to achieve another of the objects they had before them.

Mr. REID.—They were at liberty to do whatever they pleased. They could have voted against me just as well as for me.

Mr. DEAKIN. — And they can vote against me just as well as for me. The two positions are precisely the same. The Labour Party support this Government as long as they please—they are free to determine for themselves how long that shall be—just as the Labour Party in the Parliament of New South Wales supported the right honorable member for East Sydney. They thought that he was giving them legislation which they preferred to any other then possible. That is the position of the Labour Party in this House, and as long as they hold it they are likely to support the present Administration. They are under no pledge to me or to any one else. When they think the leader of the Opposition can serve them better, they will give him the support that they gave him formerly. But I have been led aside by my ingenious friend, the honorable member for Dalley. I was speaking of the three-party system in this House. I have criticised it from the first, and do not admire it now; but it is here, and we have to live with it. All that I have to say is that when the leader of the Opposition twits me, as he continually does on the platform, with consenting to do the business that we were returned to do with the help of a second party, and without a majority of our own, he points to the existence of a condition of things that I deplore, and would gladly avoid. At the same time, he does not remember, or chooses to forget, that there are worse evils than that of three-party government. Our position would be indefensible if it involved the sacrifice of the principles on which we were returned, and that is what the right honorable member tried to wring from us when we attempted to work with him to displace the three-party system.

Mr. REID.—That is not quite fair to me.

Mr. DEAKIN.—If he had succeeded in going to the country as he proposed, without warning to his allies, who had placed him in office, kept him there and were prepared to keep him there, he would have caught the protectionists between the Labour Party on the one side and his own friends and supporters on the other so as to make Tariff reform impossible for years.

Mr. REID.—Would the right honorable member for Balaclava have been a party to such a thing?

Mr. DEAKIN. — The right honorable member freed the right honorable member for Balaclava and his colleagues from such an imputation by stating in this House, in reply to me, that he took a personal, and not a Ministerial, responsibility for his course in postponing Tariff reform indefinitely.

Mr. REID.—How could one help taking a personal responsibility?

Mr. DEAKIN. — The right honorable member, who expressly freed his colleagues from the imputation of responsibility, is now asking me to accept their acquiescence as warrant for something, the sole responsibility of which he took upon his own shoulders.

Mr. REID.—There was no division in the Cabinet on the subject.

Mr. DEAKIN.—Because, according to the right honorable member's own statement, the Cabinet was not consulted on this point. Although I cannot, for the moment, place my hand on the statement, I shall be able to give him chapter and verse for it within a few minutes. I was asked, by way of interjection, I think, why I did not attack the right honorable member's protectionist colleagues, and replied that I understood he had already freed them from responsibility in this matter.

Mr. REID.—What matter?

Mr. DEAKIN.—The proposal that, by means of a surprise dissolution, the fiscal truce should be prolonged till 1909 or 1910. That was the rock on which we split.

Mr. REID. — Does the honorable and learned gentleman think that a speech can be put in the mouth of the Governor-General by one Minister without consultation with his colleagues?

Mr. DEAKIN.—No; but I have been relying on the right honorable member's statement, and shall continue to rely on it until he reads it from *Hansard*, and deliberately withdraws it.

Mr. McLEAN.—What was done in that connexion was done by the unanimous voice of the whole Cabinet.

Mr. DEAKIN.—The honorable member refers to the framing of the Governor-General's speech at the opening of last session?

Mr. McLEAN.—Yes—the course proposed to be adopted.

Mr. DEAKIN.—That course, so far as it affected the fiscal question, involved the burial of the Tariff Commission's reports—if they were of a fiscal character—till 1909,

and the right honorable member for East Sydney, correctly or not, took upon his own shoulders the whole responsibility.

Mr. REID.—How could I speak of what was to happen in 1909-10?

Mr. DEAKIN. — The right honorable member attempted to get a new Parliament elected on other issues, and pledged to prolong the fiscal truce.

Mr. McCAY.—Who, except the honorable and learned member, ever said that that course did involve the sinking of the fiscal issue till 1909-10?

Mr. DEAKIN.—The leader of the Opposition has said over and over again in this House and on the platform that it did.

Mr. McCAY.—That is a point on which the protectionists in this corner feel very much aggrieved.

Mr. DEAKIN. — They must feel aggrieved not with me, but with their own leader, who has made this statement again and again.

Mr. JOSEPH COOK.—Where is it?

Mr. REID.—No; I assure the honorable and learned gentleman that he is entirely wrong. The question of going to the country could not arise until a dissolution had been granted, and we had not got as far as that.

Mr. DEAKIN.—Here I have it. In volume 25 of *Hansard*, page 413, I am reported to have said on the 1st August, 1905—

When the Prime Minister—

That is, the present leader of the Opposition—

sought to change the policy of fiscal peace until May, 1906, into a policy of fiscal entombment until 1909, the situation was entirely changed.

Mr. JOHNSON.—Did not his fiscal allies in the Cabinet agree to that?

Mr. DEAKIN.—I am not aware.

Mr. REID.—That was a personal declaration of my own.

What did I say then?

Mr. DEAKIN.—And as purely personal I have always treated it, for several reasons. Consequently, by that personal declaration of his, the right honorable member at once revived three parties in this House. He carried with him his own fiscal party. But could we see the fiscal question entombed until 1909? Did not the right honorable member know that he could not expect to carry with him those protectionists who were supporting him?

Then the right honorable gentleman made this interjection—

They wanted the fiscal peace to last for three parliaments.

Mr. REID.—I never got as far as a policy for the country.

Mr. DEAKIN.—That quotation proves my case. I say again that there are worse things than the three-party problem to consider. The immediately worst thing at that time was the burying of the fiscal question by the right honorable and learned gentleman until 1909, without consultation with his allies, without consultation with those with whom he was supposed to be working, without consultation with those to whom he had promised a full fiscal statement by or before the 1st May, 1906.

Mr. REID.—The honorable and learned member will see that he destroyed that agreement at Ballarat by giving me notice to quit.

Mr. JOSEPH COOK.—The quotation does not justify that statement at all.

Mr. DEAKIN.—Let the honorable member read it as I have done.

Mr. REID.—When I got notice to quit the agreement was destroyed.

Mr. DEAKIN.—No word of that speech departed from our agreement. What destroyed it was his own act. What I said then of his negative policy I say still. The right honorable gentleman makes it a complaint that we have said that Socialism and anti-Socialism cannot be defined. As I pointed out to him, by way of interjection, what we have always said, is that his Socialism and anti-Socialism cannot be defined. There is one extreme point beyond which even Socialism cannot go, and that is nationalization of an industrial operation. Yet the right honorable gentleman, coming forward as an avowed opponent of all Socialism, at the same time approves the nationalization of our railways.

Mr. REID.—Oh, dear! Railways to spread private enterprise over Australia.

Mr. DEAKIN.—I undertake to say that in Europe there is not a language in which the right honorable gentleman could make the declaration that he was an anti-Socialist, and couple it in the same breath with the statement that he was a supporter of the nationalization of railways—I cannot go into other enterprises in which we are engaged, and which he also approves—without his being ridiculed if he still claimed to be an anti-Socialist. I shall not allude to old-age pensions or the lowering of railway rates.

Mr. REID.—All the statesmen who are dead, then, were Socialists.

Mr. DEAKIN.—I shall not allude to the 101 matters in which the State, in Aus-

tralia, intervenes when it thinks it is for the public good. Any one of them would destroy in Europe the claim of a man to be anti-Socialist who at the same time upheld those forms of State action. The member for East Sydney has no possible warrant for assuming that title as indicating his views. Whatever he may be or become, he is not yet an anti-Socialist.

Mr. REID.—What is the Prime Minister's objective, I should like to know — the Labour Party?

Mr. WATSON. — The honorable and learned member for Parkes pointed that out.

Mr. DEAKIN.—Now, so far from having sheltered myself behind vague statements, I have been consistent from the first. When I went to Ballarat in 1904 to speak on the methods and organization of the Labour Party to the league which was then founded, and when I gave my friends in the corner the criticism which has been so often read over to them since for their edification, the proposed resolution put into my hand included a condemnation of "Socialism," I handed it back to the committee at once, and said, "Unless that portion referring to Socialism is struck out I decline to move it. I am not here to criticise the platform of the Labour Party, whatever it may be called, but their methods and organization. Besides, Socialism is a term so differently applied by different persons that it will mean nothing in the motion. Say, if you like, what proposals you object to, but define them, and say exactly what you support, but do not hide behind a label which is differently applied by almost every person who uses it." I struck out the reference to "Socialism." Was not that proof enough of where I stood?

Mr. REID.—Oh, oh! Now the honorable and learned gentleman is a convert.

Mr. DEAKIN. — The right honorable gentleman talks about my being a convert, if not to Socialism, at all events, to an association with Socialists. Here was a time when, as he has been reminding us, I was out of office—here was a time when I was criticising the Labour Party, and, as he says, taking hold of every point I could to criticise, yet I refused to make any reference to Socialism, because it would have been wholly misleading or meaningless.

Mr. REID.—The Inter-State Congress had not adopted Socialism at that time.

Mr. DEAKIN.—Yes.

Mr. REID.—No.

Mr. DEAKIN.—Just as far as they have adopted it now. The next time I spoke at Ballarat, a year ago, was just before the dissolution speech was put in the hands of the Governor-General. At that time, still out of office, I repeated the same remark—that a criticism of Socialism or anti-Socialism was futile unless it was accompanied by a definition of what you included under the one and excluded under the other. I devoted myself to a consideration of both sides, which occupies several pages of a reported speech, that is either in everybody's hand or can be easily acquired. I went through the rival programmes, and pointed out how far we were socialistic in this country, how far we ought not to be socialistic, and how far we ought not to be anti-socialistic; where we ought to draw the line between the two, how we ought to measure their advantages, and put both of them on a business basis. I pointed out that one question to be considered of each project was, "Did it pay?" and that another question was, "How did it fit in with the socialistic structure we have erected and are living in?"

Mr. REID.—What is the honorable and learned gentleman's opinion about that now?

Mr. DEAKIN.—I said then what I say now, that, using the terms strictly, in my opinion not 10 per cent. of the people of Australia would, on a scientific classification, having regard to our present systems of government, be called Socialists. I went on to say that, taking anti-Socialism as defined by the right honorable gentleman in his programme, I did not believe that 10 per cent. of the people of Australia would support that attitude.

Mr. REID.—The honorable and learned gentleman will be on a lovely fence before he is done with it.

Mr. DEAKIN.—I do not wish to follow the right honorable member's precedents of that kind. I pointed out that 80 per cent. of the people of Australia looked at this question as the honorable member for Moira did yesterday — from a practical common-sense stand-point. They said, as the leader of the Opposition sometimes does, "If this is a reasonable proposition, which will be good for the people of this country, not too costly, and reasonably effective, we are perfectly prepared to use it, brand it with whatever name you like,

call it Socialism, anti-Socialism, or any other ism." When the right honorable member was having a troubled existence in the Parliament which he did lead, the only measure of his own that he did carry was denounced as socialistic legislation by the most thoughtful and careful students of the question in his own party. Consequently, when he was in power, he was under the taboo of his own followers, who were really the anti-Socialists.

Mr. REID.—Oh, no, I was not. I had a grand solid army in those days.

Mr. DEAKIN.—In each Chamber his friends condemned his Bill as distinctly socialistic. How, then, when it suits him to take off one hat and put on another, can he consider that by changing his hat he changes the man underneath it?

Mr. REID.—The honorable and learned gentleman wears both hats.

Mr. DEAKIN.—I wear neither.

Mr. REID.—Well, is the honorable and learned gentleman a Socialist or an anti-Socialist?

Mr. DEAKIN. — From the European stand-point—from the stand-point of the fiscal party with which the right honorable gentleman is allied in English politics, we are all Socialists in this country. From the stand-point of extreme Socialism, we are most of us dubbed anti-Socialists—it all depends on the point of view. If you desire to judge our Government to-day what are they to be judged on? First of all on what they have done, and next on what they propose to do. Take the record of last session and read it through. Pick out our measures, and say which are socialistic and which are anti-socialistic. Neither the name "socialistic" nor "anti-socialistic" applies with any fitness to a single measure passed last session. Now take the programme for the coming session. Take the actual business with which we have to deal, and not any "isms" or "ologies" or abstract propositions—take our concrete propositions. Take to-day's programme measure by measure, and ask yourselves, "Is this socialistic or anti-socialistic?" It will be found that neither name fits a single measure. All the Bills are practical. Is the measure for the destruction of monopolies socialistic or anti-socialistic? All depends on how it is proposed to destroy the monopolies, as the right honorable gentleman has said. This shows that neither name can be fittingly applied to the measure.

Mr. FISHER.—It depends on whether a measure is popular or not.

Mr. DEAKIN.—What I have said of this Bill applies to every other item on the programme. They are business proposals for business purposes, call them what you please. The people of this country will neither accept them because they are called socialistic, nor reject them because they are anti-socialistic. They will look at each measure on its merits. If they approve, they will accept it, call it what we will; if they disapprove of a measure, they will reject it, call it what we will. That is why I say that when the right honorable the leader of the Opposition, instead of criticising the programme of work—with the one single exception of one part of the anti-trust Bill—sweeps the whole of our measures aside, he gives his case away. He admits that, so far as our programme is concerned, his cry does not fit. He therefore attempts to distract attention from our programme, and to put a false issue before us in regard to some "ism" or abstract idea—not an issue connected with the concrete business we are here to consider and do, but some abstract theory we are not here to consider, and could not give effect to if we would.

Mr. REID.—Does the Prime Minister call the beacon light and objective of the labour movement an abstract idea, or a boggy?

Mr. DEAKIN. -- I ask him what he calls the beacon light and objective of the item embodied in our programme? I ask him are they, or are they not, justified on their merits? The fact that other proposals are in the Labour Party's programme does not disqualify them or relieve him from examination and criticism.

Mr. JOSEPH COOK.—What about the tobacco monopoly?

Mr. REID.—The honorable and learned gentleman is sound on that. He says that all that is required is regulation.

Mr. DEAKIN.—Exactly. The Bill we have before us for the preservation of Australian industries will incidentally be sufficient to deal with that monopoly. I previously digressed in response to interjections when making some remarks on the fiscal situation, to which I am now obliged to call attention for a moment or two before sitting down. But I must relieve myself from one imputation, though I do not attempt to do so in regard to many others, because that has been already done

sufficiently. I must relieve myself from a new imputation, so far as I am concerned, with which the right honorable the leader of the Opposition has been good enough to favour me. The right honorable gentleman complains that at the time he was appointing the Tariff Commission, I did not warn him of the serious consequences likely to ensue to the Government because of that Commission. Why should I attempt to warn the right honorable gentleman of what he himself warned the House in stronger language than I should have liked to use? Speaking on the 26th October, 1904, and looking forward to the Tariff Commission—

Mr. REID.—That was long after the Royal Commission had been resolved on.

Mr. DEAKIN.—No; it was not long after it had been resolved on. It was not appointed for months after.

Mr. REID.—Were my remarks not made on Supply, when the honorable and learned member for Indi submitted a motion? That was long after the Commission had been resolved on.

Mr. DEAKIN.—It was on the Budget, and the honorable and learned member for Indi moved by way of amendment that the proposed vote be reduced by rs. On that motion the right honorable the leader of the Opposition himself said—

If either wing of the Government finds that a difficulty has arisen under which the loyal protectionists and the loyal free-traders find it impossible to continue together on the present basis, I think I can say for my protectionist colleagues, as well as for my free-trade colleagues, that from that moment we part company.

Then a little lower down the right honorable gentleman said—

That is the basis on which the Government rests. The moment that that basis becomes impossible, the existence of the Government becomes impossible.

So it will be seen that the right honorable gentleman at the time when the appointment of the Tariff Commission had just been resolved on, saw the whole situation so clearly as to say that when the reports of the Commission came down, if they raised the fiscal issue, they would divide the then Government, and make its existence impossible. The reports might separate the protectionists on the one side from the free-traders on the other.

Mr. REID.—I did not say that the Tariff Commission's reports would do so, but "if they do so." That was looking two years ahead.

Mr. DEAKIN.—Exactly, and we were looking two years ahead then, and still looking eighteen months ahead when I spoke at Ballarat, though the right honorable gentleman then declined to wait a moment longer. But he saw at the time when this Tariff Commission was granted that its reports might sever his own Government; and when he complains that I did not warn him, I have only to remind him of what he himself warned the House. On this question of fiscal peace I re-echo the statement made by the honorable member for Moira yesterday in regard to the position of our party—a statement which I was glad to hear from his lips, though it was made without my cognizance of his intention to make it; we had not discussed the question together. The protectionists who went to the country in 1903 on the programme of fiscal peace and preferential trade, tied their hands, in my opinion, against the bringing down of a complete revision of a Tariff such as we intimated must follow sooner or later. We said that when a truce was first proposed. Experience required to be gained, and would be gained; the investigation of the Tariff was to gradually test its fitness or unfitness for Australia. When that had been done, we stated that we should be prepared to reopen the fiscal question, but until then, our programme was fiscal peace, except as to preferential trade. After that the right honorable leader of the Opposition appointed a Royal Commission to investigate the Tariff, a step of which we had long foreseen the necessity, but which he took, as he has told us to-day, entirely of his own motion, and with the full approbation of his own judgment. When that Tariff Commission was appointed he foresaw, as the quotation I have read shows, what the consequences might be in his own Cabinet.

Mr. REID.—Hear, hear!

Mr. DEAKIN.—And, of course, he foresaw what the consequences might be in the House as well as in his Cabinet. If a report were to come from the Tariff Commission in which the fiscal question was raised, honorable members would have no other choice except to range themselves under the standards to which they belonged. We are not yet confronted by that situation. The proposals which have been submitted by the Tariff Commission so far have been unanimously indorsed. Although it might be said that those proposals do raise the fiscal question,

evidently it is felt they do not raise it in any such form as to accentuate the differences between us, so that those particular proposals can be dealt with apart from the fiscal issue. The other recommendations which follow may be of the same tenor, and in that event the fiscal issue will not be raised, and members will vote on merely financial or some similar grounds. But let the Tariff Commission bring down a proposal which involves the fiscal issue, either for a reduction of duties which we believe to be necessary for Australian industries, or for an increase which we believe to be unnecessary, and at once our fiscal peace and fiscal truce disappear. No protectionists can vote for an anti-protectionist proposal, and no free-trader, if there be one in this House, can vote for an anti-free-trade proposal in connexion with an amendment of the Tariff.

Mr. REID.—They would not vote upon any report of a Commission, but on some proposal submitted by a Government.

Mr. DEAKIN.—They would vote, it is true, on proposals submitted by a Government, but the hand of the Government would be forced by any recommendations from the Tariff Commission which involved the fiscal issue. The Government is not a post-office simply to convey to this House the recommendations of the Tariff Commission. When the Commission was proposed to be appointed, and I was challenged as to our position, and the responsibilities we should have towards its recommendations, as it was the work of our own hands, I pointed out that, like every other Commission, it would sift the evidence to the best of its ability, and would forward its recommendations to Government and Parliament; and that Government and Parliament would then deal with those recommendations in accordance with their principles and their judgment. Now, that will be the course which will be followed, when this Tariff Commission, or part of this Tariff Commission, makes any recommendations involving the fiscal issue. It will be impossible for this House, or any House, or any Government, to put aside the recommendations of such a Commission without those recommendations having been considered and deliberated upon. We can neither adopt nor can we set aside the proposals of that Commission without giving them the full and careful consideration which the length and importance of their inquiry demands. Whether it

advises a higher duty or a lower duty, the Government and the House must decide for itself in accordance with their principles. They cannot evade or avoid that duty now that we have gone so far, and they have done so much. Now, sir, one word in conclusion.

Mr. JOSEPH COOK.—What about the land tax?

Mr. DEAKIN.—I do not mind responding to that interjection. Neither our programme nor our administration have been assailed. Such a tax is not put forward in the Governor-General's speech, but I have no wish to refuse its consideration. It suited the right honorable the leader of the Opposition to make it appear that the interest that has been taken by myself and others in the land question since the accomplishment of Federation had only arisen during the past few months, since the honorable member for Bland definitely launched his proposal for a progressive land tax. I can safely say that, for my own part, I have been dealing, so far as opportunities permitted, with the land question ever since Federation, as I did before. The only way in which I can fix the day to which I am about to refer is by saying that I think Mr. Irvine was still Premier of Victoria. The Australian Natives' Association called a meeting in the Athenæum Hall, Melbourne—I think it was in the year 1903—for the purpose of considering irrigation; and, as much turned upon the land question, I took occasion then, as I have done since, to excuse myself from any comment upon the land taxes passed by the States in Australia. I surmounted the difficulty, as I have done since, by turning up some of the old speeches delivered by me in the Legislative Assembly of Victoria, which contained my views upon land taxation, land monopoly, and land generally, reading these extracts out as my then opinions—the opinions which I still hold. That was, as I say, probably three years ago.

Mr. REID.—Were those opinions in favour of a progressive land tax?

Mr. DEAKIN.—They included a progressive land tax.

Mr. REID.—The Prime Minister's views include that?

Mr. DEAKIN.—My personal views always have done. I read those extracts to show that, although an Australian Minister and member, I had not altered the attitude which I had previously occupied in Victoria upon this question. Before the subject

came up again, the consideration of the possibilities of immigration had brought me face to face, in a very clear and distinct manner, with the urgency of dealing with our great estates of arable land. The honorable member for Moira yesterday gave illustrations from his own experience relating both to this State and New South Wales, of the cases of hard working men—in one instance which he mentioned, the case of a man with money and experience—seeking land from State to State, and unable to find it. It is incontestable that such a state of things exists in several States. It is incontestable that, while that condition remains, it will be idle for us to be offering to emigrants, or would-be emigrants, from the mother country, temptations to come here with such illustrations of the failure of men who know the country, and who can choose their land with wisdom, to find homes for themselves. Confronted with this additional responsibility with regard to immigration I have, in correspondence with State Premiers and elsewhere, taken every opportunity legitimately open to me of pressing upon their attention, and upon public attention, the necessity of making much more land available. Because, whether we are Federal or State representatives, there are many of us who recognise that the land question is the root of almost all other social and political questions.

Mr. REID. — The only question is in whose jurisdiction it is.

Mr. DEAKIN.—Until the land question is settled, no question can be settled finally.

Mr. REID.—But can we settle it for the States?

Mr. DEAKIN.—The States, or some of them, have been applying themselves to its solution with very imperfect success; and with the States still rests the responsibility of dealing with it. They are the proprietors of Crown lands, and we are not, as a Commonwealth; though as citizens of States, we are, of course, charged in our individual States with responsibility for what is done. But what we do say—what I do say, at all events—is that, land tax or no land tax, every form of Government which Australia possesses, from the municipalities up to the Commonwealth Government, is properly usable by the Australian people in the endeavour to settle this country. And I say, sir, without criticising State legislation, State action or State inaction, that it is perfectly within the competence of the Commonwealth to enter upon

and take its share in dealing with this land question when its legitimate occasion arrives. When we begin to deal with immigration, we begin to deal with the land question. The two are so closely associated that we cannot but turn from one to the other. What I said at Ballarat—of which the right honorable member chose to read only one portion—was that I intended in the following week to deal with this land question at length in Adelaide; that, owing to the length of the speech, and physical exhaustion, I was not prepared to deal with it fully then, and that, therefore, I answered a few of the questions put to me out of courtesy.

Mr. REID.—The questioner stuck to the honorable gentleman like a man.

Mr. DEAKIN.—And my answers were in conformity with the answers previously and since given by me on this question. I said that I would deal with it at Adelaide within a week; and at Adelaide within a week I did deal with it at length—again, to the extent of two or three pages of my printed speech. So that just as with the question of Socialism and Anti-Socialism, I made my position perfectly clear in South Australia. I showed the other Federal issues with which it is and must be associated. Between my meeting in Adelaide and the meeting which was held in Sydney, the Premiers' Conference took place. The Premiers, at that Conference, despite the very friendly argument which I addressed to them, chose to carry two important resolutions. I pointed out that if those two resolutions were to be accepted by the people of Australia, land taxation, instead of being a theoretical proposal, would become a practical proposal forced into the arena by the declaration of the Premiers that old-age pensions would require to be provided for out of some fresh source of taxation.

Mr. REID.—They deny that.

Mr. DEAKIN.—They do not deny it. One Premier said that he was willing to make certain Customs concessions, which were mentioned at the Conference. I invited an expression of opinion upon the subject, and pointed out the importance of such an expression of opinion, stating that if we had the assurance that the Premiers would consent that part of the Customs revenue should be used for old-age pensions, that would relieve the pressure upon us, but that if we did not obtain more of the Customs revenue, they were in effect bidding us to

resort to direct taxation. They discussed the question amongst themselves, and refused to put on record any resolution consenting to our taking any further portion of the Customs revenue. Therefore, I was bound to point out—owing to this development having taken place after I spoke at Adelaide, and at Ballarat—that, as I had shown at Ballarat, the land question was intimately associated with Federal finance, and with the question of immigration. That position is indisputable.

Mr. REID.—Then are we to have three taxes upon land?

Mr. DEAKIN.—It is for the citizens of Australia to determine whether they will have one, three, or thirteen taxes upon it.

Mr. REID.—Why not have a tax upon the banking incomes that people make out of land—on the mortgagees as well as the mortgagors?

Mr. DEAKIN.—I pointed out that it was perfectly within the competence of this Parliament to deal with all forms of direct taxation, and that no form of direct taxation was likely to afford it the same opportunities of dealing with settlement and immigration as land taxation. But in making that statement I committed no colleague of mine, nor the Ministry, because, so far, the Government has not considered either land taxation or several other alternatives in connexion with the land question, which may come before the consideration of this Parliament before long.

Mr. JOSEPH COOK.—Are we to understand that the Prime Minister himself is in favour of a progressive land tax?

Mr. DEAKIN.—I have said that when I had the responsibility of dealing with land taxation in the Victorian Parliament I favoured the taxation of unimproved land values on the progressive principle. I have not altered my opinion since then, but speaking either individually, or as the head of this Government, I make no promise of Federal land taxation. My colleagues have yet to consider not merely land taxation, but whether the land question does not call for consideration at our hands in connexion with other proposals which may accomplish the same end.

Mr. REID.—Somebody will go up in a balloon when the Government do consider it in Cabinet.

Mr. JOSEPH COOK.—It has taken the Prime Minister half-an-hour to say nothing.

Mr. DEAKIN.—I am sorry that my honorable friend, who was a Minister of

the Crown in New South Wales for a considerable period, cannot realize that in this instance, as in many others, each Minister owes an obligation to his colleagues. I will not place any of my colleagues or supporters in a false position by declarations which, at present, are merely abstract and theoretical. When the Government entertains any intentions in this regard, they will submit a concrete proposition, which the honorable member will be unable to make sport of in this way. In the meantime, the Government have not considered the tax, and its prospects are matters of speculation, and not of fact.

Mr. JOSEPH COOK.—The Treasurer has already expressed a personal view.

Mr. DEAKIN.—The Treasurer has expressed a personal view upon one form of land taxation for a particular purpose—a view which he is perfectly entitled to hold.

Mr. JOSEPH COOK.—That is all that we desire to obtain from the Prime Minister.

Mr. DEAKIN.—The honorable member wished to obtain from me either more or less than that. The question of immigration will bring us face to face with the land question, whether we like it or not, within a comparatively short space of time, and both members and Ministers will be obliged to consider them with an open mind. Nothing in my past or present opinion supplies any obstacle to our dealing with both fully and effectively. The Federal power is ample, though many have not yet realized its scope in these directions. Beyond that I decline to be drawn at the present stage.

Mr. REID.—Why is the Prime Minister so sensitive about the inclusion of the Railway servants in the Arbitration Bill being a violation of the Constitution and so indifferent about State rights in regard to land taxation?

Mr. DEAKIN.—When the time comes, if any land taxation proposals are submitted, I shall be able to show the right honorable member a broad distinction. I cannot show him a distinction between something which exists and something which does not now exist. I should have concluded my remarks half-an-hour ago had I been permitted to follow my own line of thought. What I desire to say is that the Government have submitted a programme, which so far has not been challenged. It consists of practical proposals of pressing importance, which are capable of being dealt with. With due respect to the honorable member for Barker, I say that all

of these proposals are capable of being dealt with this session if we could persuade ourselves to deal with them as business men on business grounds. I am sorry that I have spoken for an hour-and-a-half, under pressure, because I wished to set an example which might be followed. But, having disposed of the personal, the abstract, and the remote, I ask honorable members to come back to the business that is actually before us. I invite them to establish a record by making the debate upon the Address-in-Reply the briefest that has yet taken place.

Mr. REID.—Notwithstanding that the Governor-General's speech contains 36 paragraphs.

Mr. DEAKIN.—But the greater portion of that speech relates to proposals which will come before us in a direct form, and can be much better debated when we have specific propositions submitted. They can then be dealt with, point by point, and statement by statement. Criticism of our administration during the recess we are of course open to, although we have had none yet. But I do hope that we shall not begin to discuss in open debate what we must soon debate in Bills. With the assistance of honorable members there is no reason why we should not dispose of the whole of the business that has been outlined by the Government in time for a reasonable dissolution. The Ministry are anxious to be as considerate as possible to every honorable member. But we ought to realize that this is the last session of the present Parliament, and to recognise that before we go to the country, we have a great deal of work to dispose of, some of it of enormous importance, and all of it of great practical utility. I feel sure that I shall not appeal to honorable members in vain. I do not ask them to weaken their criticism of the Government, but to shorten it, so as to enable us in the briefest possible time to get over a stage which, except for the opportunity it presents of criticising our deeds during the recess, is really becoming a useless survival.

Mr. JOSEPH COOK.—Our trouble is that we cannot understand the honorable gentleman.

Mr. DEAKIN.—If the honorable member will afford us the chance of dealing with our definite proposals he will begin to understand me little by little.

Mr. JOSEPH COOK.—The Prime Minister's speech to-day has given intense delight to the Labour corner.

Mr. DEAKIN.—And also to the honorable member himself. Several times his face has been wreathed in smiles.

Mr. REID.—I think that we have had the best of it.

Mr. DEAKIN.—I dismiss the Vice-Regal Speech, which has not been challenged. I dismiss the possibilities of the remote future. I ask the House to come to business, to enable us to rise as early as possible in order that we may consult our constituents as soon as the electoral rolls are available. My honorable colleague, the Minister of Home Affairs, will shortly be able to lay on the table of the House a paper showing that since the Electoral Act was passed not a day has been lost in pressing forward all the necessary steps precedent to a general election, and that even now we are anticipating a favorable decision of the House in regard to the redistribution of seats, so that no time shall be lost at any stage. The electoral officers throughout the Commonwealth are acting, and every possible step is being taken to expedite putting the rolls in proper order. At the earliest moment that the very complicated necessities of dealing with this enormous Commonwealth electorally permit, we shall inform the House, probably within a week or two, of the margin of choice afforded. We shall be able to demonstrate easily that, instead of hanging back, or even waiting for authority, we have pushed ahead, so that it would have been impossible to have the rolls prepared earlier than the date which we shall name as that at which the House can go to its constituents.

Mr. JOSEPH COOK.—Do I understand the Prime Minister to say that the Government are going on with this matter at once?

Mr. DEAKIN.—We are going on with it now.

Mr. REID.—This is a non-party question.

Mr. DEAKIN.—The resolutions will be proceeded with early, and meanwhile we are avoiding, by the steps we are taking, all possibilities of delay.

Mr. McLEAN.—There are two Victorian schemes; which is to be adopted?

Mr. DEAKIN.—The second; which was promulgated, with maps, within the last few weeks. The first has lapsed.

Mr. McLEAN.—I am very sorry to hear that.

Mr. DEAKIN.—In conclusion, let me repeat a few words uttered at the rising of the House last year, as an indication of the course and the policy which we had mapped out for ourselves. The speech of the Governor-General affords proof of our sincerity and earnestness in giving it effect. I then said—

The next election, so far as this Ministry is concerned, will be fought in defence of Australian interests, in the interests of the producers, workers, and consumers, for whose benefit our recent measure—the Anti-Trust Bill—was framed. To protect them against unfair competition, against fraud, against the competition of underpaid and overtasked workmen, will be the aim of this Government. Speaking as far as it can be outlined, the programme will be protection in all its aspects, fiscal, industrial, and against all monopolies; preferential trade with our own countrymen, population for the land, and land for the people.

Mr. JOHNSON (Lang) [3.34].—I listened with a great deal of interest to the speech of the Prime Minister, and I often envy him the gift of that graceful, elegance of diction and flowery language which holds the interested attention, yet conveys no intelligible meaning to the listener. Honorable members, I think, are most anxious for enlightenment upon the attitude of the honorable and learned gentleman and that of his Government in regard to the proposal for a progressive land tax; but he has fenced the question so adroitly that he has left the House in considerable doubt as to his real position, and has provided himself with a number of avenues of escape from possible awkward questioning in the future. Although it is necessary that we should know his exact position in this matter, we are as much in the dark in regard to it now as we were before he rose to speak. It has been not inaptly said of the Governor-General's speech that, whereas that of last session was the shortest on record, for perhaps one of the longest sessions we have had, this is the longest speech for what will probably be one of the shortest of our sessions. The mover of the Address-in-Reply practically censured the Government when, at the commencement of his remarks, he declared that the speech contains a number of proposals which cannot be submitted to the House, and carried into effect during the present session. I hold the opinion that, seeing that in the present position of parties, even a semblance of responsible government is impossible, we should confine our efforts this session to absolutely necessary legislation

only, and should deal first of all with the proposed redistribution of seats, so as to get an early appeal to the electors, and the return of a House which will more closely represent the opinions of the country. At the present time, this House misrepresents the country, because the electors have not had an opportunity to express their opinions on some of the most vital matters proposed for the consideration of Parliament.

Mr. WATSON.—The honorable member should be content to speak for himself. He may misrepresent the country.

Mr. JOHNSON.—I may fairly claim to represent my own constituency, because I was returned by an absolute majority of votes, but a great many members, especially in the Labour corner, represent only minorities.

Mr. WATSON.—There are more minority representatives on the Opposition side of the chamber.

Mr. JOHNSON.—We should not permit for any longer than is unavoidable, the continuance of arrangements which, under a pretence of an adult franchise, give people in one electorate three times the voting power of those who live in another electorate. Such a state of affairs is a disgrace to us as a Parliament which should not be tolerated for a moment longer than is necessary. Therefore, if the Government really believe in the principle of equal representation—of one man one vote, which is supposed to be so dear to a certain section of honorable members—they should lose not a moment in bringing about a redistribution of seats, and in immediately remitting to the country for decision all those questions of national importance with which it is proposed to deal. An appeal should be made to the electors as soon as the rolls can be prepared, and I would strongly urge that it should take place not later than October next. If this course were adopted, an opportunity would be afforded to residents in the rural districts to record their votes. When an election takes place in the middle of December, the harvest is at its height, and thousands of men in the country districts cannot leave their occupations to attend the polling booths, because their absence from their holdings at such a time might result in very heavy loss, if not ruin.

Mr. WATSON.—Would the honorable member disfranchise thousands of others for the sake of those whom he mentions?

Mr. REID.—Cannot they vote by post?

Mr. WEBSTER.—No. The farmers' men can better vote by post.

Mr. JOHNSON.—I am not wedded to any particular month for the holding of the elections, but I am anxious to bring about an appeal to the country at a time that would be most convenient for the electors generally.

Mr. WATSON.—Hear, hear; say next March.

Mr. JOHNSON.—The present Parliament must be brought to an end not later than December. If the honorable member for Bland could suggest any means by which the elections could be put off until March, no doubt his suggestion would meet with ready indorsement by a number of members. We know, however, that no such delay could take place without an amendment of the Constitution. If the elections are held in December thousands of voters will be disfranchised, and the new Parliament will be composed of members elected in many instances by minorities. That is what I want to avoid. It should be the desire of all parties to obtain a straight-out verdict upon the main issues submitted to the electors, so that we might have a majority upon one side or the other, irrespective of the interests of parties. It is only by means of such representation that we can arrive at the will of the majority, and if any honorable member can suggest a more suitable time than I have mentioned I shall be only too ready to fall in with his ideas. I am anxious that we should have removed from us the reproach that we cannot induce a majority of the electors to record their votes. How can we do so if the election is held at such a time that they cannot go to the poll? Whilst the re-adjustment of seats is the first matter that we should take in hand during this session, there are two other important questions to which we might address ourselves, namely, the settlement of the Federal Capital Site, and Federal quarantine. The three matters to which I have referred are the only urgent questions with which we are called upon to deal, apart, of course, from the granting of supply necessary to cover the period between the dismissal of this Parliament and the meeting of the next. None of these matters need involve any party strife. The Prime Minister has given no clear indication of his intentions with regard to the proposals of the Labour Party. Apparently he is approaching nearer and nearer to their

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platform. Some little time ago he stated that the question of land taxation was one entirely within the province of the States, and he declined to recognise that the Federal Parliament had anything to do with it. In the course of his next public deliverance he modified his previous attitude, and, finally, he coquetted with the proposal of the Labour Party for a progressive land tax. His latest utterance on the subject of land taxation is sadly out of tune with his declarations of a short month ago, and he appears now to regard it as, not only advisable, but obligatory upon this Parliament to deal with the question. These three separate declarations have been made within the short space of one month, and show that the Prime Minister possesses a wonderful faculty for climbing down. His utterances of to-day cannot be taken to represent his opinions for to-morrow, and his convictions of to-morrow can by no means be relied upon to hold good for the day after. However much we may admire the personal qualities of the Prime Minister, we cannot escape the conclusion that he is a difficult kind of opponent to deal with. He is as slippery as an eel, and exceedingly difficult to handle, because it is impossible to pin him down to any one set of opinions, or any particular line of policy. At present his great anxiety is to raise the fiscal issue, and yet at the last election he told the country that the time had arrived when fiscal strife should be ended. The Minister for Trade and Customs also declared that the fiscal issue was dead—that it was settled for all time; and yet he is now joining with the Prime Minister in declaring that fiscal warfare must again be entered upon. I wish to quote the statement made by the Prime Minister upon this subject at the opening session of this Parliament. He said—

If we commence with the acceptance of the fact that the fiscal issue is dead, the way is open for dealing with the practical problems before us with a much freer hand than we have hitherto possessed. Up to the present, considerations foreign to these problems have weighed upon our minds, and have occasionally deflected our views in spite of ourselves. The fiscal issue being put aside, we are free to look these questions straight in the face.

In view of that declaration, we are entitled to ask the honorable and learned gentleman what has brought about this wonderful change in his opinions during so short a period. We can further recollect that when he joined an alliance with

the right honorable member for East Sydney, at the time the Reid-McLean Ministry was formed, he still held the view that the urgent need of the country was fiscal peace. Two of his present colleagues, the honorable members for Hume and Indi, at that time broke away from him, and sat in opposition on the cross benches, and declared for fiscal war, whilst the honorable and learned gentleman was himself sitting behind a Ministry that was carrying out his own policy of fiscal peace. These honorable gentlemen were at each other's throats at that time, and we now find them sitting together on the Treasury bench in perfect amity, all pledged to fiscal war when they had previously declared that the most urgent need of the country was fiscal peace. This is a most peculiar position for us to face, and it leaves us in doubt all the time as to what is the actual attitude of the Prime Minister on all these questions. We have no guarantee that between this and the general election he may not make some other somersault, and once more declare that he is done with fiscal strife for ever. Touching the position of the Government in relation to the Labour Party, we are faced with another peculiar set of circumstances. After the Prime Minister's declaration in favour of fiscal war, the protectionist manufacturers of Victoria approached the Federal Labour Party with a proposal for an alliance between the protectionists and the Labour Party, on the basis of mutual concessions. That probably was in view of the Prime Minister's declaration in favour of high protection. What was the result of that conference? The Labour Party refused to have anything to do with such an alliance, and the Prime Minister was, in consequence, left practically out in the cold. Why he should seek to continue in alliance with a party that repudiates and insults him on every conceivable occasion is more than I can understand. I am unable to understand how any man having a spark of proper feeling can continue to hold office in such humiliating circumstances as those in which the present Prime Minister and his colleagues hold office. Let me show what the official organ of the Labour Party in Queensland says about the Prime Minister. I quote from a leading article in the *Brisbane Worker*, headed, "The Perfidious Deakin"—

Laugh and jeer as we may at G. H. Reid, what can we wish him worse than the partnership

Mr. Johnson.

of Alfred Deakin? He built his little house upon the faith of Deakin; had he read his *Encyclopædia Britannica* more closely, he might have been forewarned by the parable of the house built upon sand. Deakin is all sand—sand without grit, quick-sand. Woe betide the political wayfarer who ventures his feet that way! There is no foothold in Deakin. He is true to nobody, not even to himself.

That is the way in which the organ of the Labour Party in Queensland describes the present ally of the leader of the Labour Party.

Mr. WATSON.—Will the honorable member read what they said about the right honorable member for East Sydney?

Mr. JOHNSON.—I have already read that what they said was that the worst they could wish him was an alliance with the present Prime Minister.

Mr. WATSON.—They said more than that.

Mr. JOHNSON.—I am not concerned so much with that at the present time.

Mr. WATSON.—The honorable member should read what they said about his alliance with the honorable member for Lang.

Mr. JOHNSON.—I am not concerned about something which never existed, and I do not think I ever insulted the honorable and learned member for Ballarat, either as a friend or an opponent, but the difference, so far as the leader of the Opposition is concerned, is that the right honorable member for East Sydney is not in alliance with, nor has he any understanding with, the Labour Party. They are not working together, and are not pulling the same coach in double harness, as is the Prime Minister's case, and, therefore, anything which the *Brisbane Worker* may have said in regard to the right honorable member for East Sydney has no application to existing circumstances. The article to which I have referred goes on to say—

Look what has happened. During the crisis that preceded the downfall of the Watson Ministry, Deakin was at one and the same time in secret negotiation with both Reid and Watson! So little was he concerned about the political principles at issue, that he could not make up his mind which side to join! . . .

The attitude which the honorable and learned gentleman then assumed is practically his attitude to-day. He is holding out one hand to the leader of the Opposition and the other to the leader of the Labour Party. I will not wound the honorable and learned gentleman's feelings by quoting what follows. I do not think

that he knows even at the present moment what the ultimate result will be, or where he will ultimately find himself. He has openly favoured the idea of an alliance with either party. A Prime Minister holding opinions so elastic may find them convenient to himself, but they are very embarrassing to everybody else, including, I suppose, his allies. I wish to say a few words about the speeches delivered yesterday by the honorable members for Barker and Moira. The honorable member for Barker, in referring to the item in the Governor-General's speech about the acquisition of the Northern Territory, indorsed the idea that it should be acquired by the Commonwealth. I also, with some qualifications, indorse that idea. I think it advisable that, as a Commonwealth, we should acquire as much territory as we possibly can, in view of the future development of Australia in connexion with immigration, the increase of population, and the development of rural industries. I have suggested, and I now repeat the suggestion, that if any scheme is approved of by this Parliament, by which this Territory can be taken over by the Commonwealth, it should be handed over to the Socialists; they should be at liberty to take full control of it, and experiment with their theories in a land absolutely free from all the trammels of civilization as we know it.

Mr. WEBSTER.—Does not the honorable member think that it would be a good place in which to plant the single tax doctrine?

Mr. JOHNSON.—I do, and if the Commonwealth will hand the Territory over to me I shall undertake the administration of it on those lines, with a promise, I believe, of far greater success than is likely to accompany any experiments on socialistic lines, to which the single tax idea is entirely opposed.

Mr. WATSON.—Let the anarchists, like the honorable member, go there.

Mr. JOHNSON.—That is a stale and oft-repeated joke of the honorable member, which has no application whatever to me or my principles. The administration of the Territory, under my plan, would be carried out on lines of individual freedom to the fullest possible extent, consistent with the equal freedom of everybody else. In the course of his speech, the honorable member for Moira referred to the first paragraph of the Governor-General's speech and the reference to the general prosperity of Australia at the present time. He chided the

anti-Socialist, for having declared that Socialism would ruin the country and bring about stagnation, and so forth, and, inferentially, associated the progress and prosperity which has marked Australia during the last few months with the socialistic legislation which has been carried by the Commonwealth Parliament. Everybody knows perfectly well that the prosperity we have enjoyed is due, not to any legislation enacted by the Federal or States Parliaments, but to the good seasons which have occurred all over Australia. I do not think that any Parliament of the States or the Commonwealth Parliament can take any credit to itself for bringing about these conditions. Those conditions have been brought about in spite of legislation passed by these Parliaments.

Mr. WEBSTER.—Is not the honorable member aware that Mr. Carruthers takes credit for all the good that has happened to New South Wales.

Mr. JOHNSON.—I do not know that he does, but even in that event I should speak as I have done. As it is now 4 o'clock, I should be glad to have leave to continue my remarks on a future occasion.

Mr. DEAKIN.—What further time is the honorable member likely to occupy?

Mr. JOHNSON.—At least another half-hour.

Mr. DEAKIN.—I have no objection. Leave granted; debate adjourned.

House adjourned at 4.3 p.m.

House of Representatives.

Tuesday, 12 June, 1906.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

DEATH OF MR. SEDDON.

Mr. DEAKIN — (Ballarat—Minister of External Affairs) [2.32].—I desire, by leave, and without notice, to submit the following motion—

That this House places on record its profound regret at the untimely decease of the Right Honorable R. J. Seddon, and expresses its deep sympathy with his family and the people of New Zealand.

The motion is couched in simple terms, such as become the man whom we deplore and this unhappy event. It needs no justification, when we remember to whom it relates, and his many clai

that still deeper love and wider patriotism which, as a true Briton, he ever evinced towards the great and glorious Empire of which he was so worthy a son, and of which his own adopted country was but a unit. His sudden removal from the busy stage of public life must, I think, have come as a great shock, not only to the people of his adopted country and to all who knew him, but above and beyond all, to his good wife and bereaved family. Let us hope, Mr. Speaker, that it may be some consolation to them to know that after all, his end was such as I have no doubt he would have chosen for himself. He passed away after a long, distinguished, and honorable public career, whilst still in the full possession of his great mental faculties, whilst still at the very zenith of his power and popularity, leaving behind him a name that will long be revered by many thousands of people whom he had provided with comfortable homes—a name that, I venture to say, will live long in the annals of his country, through many succeeding generations.

Mr. WATSON (Bland) [2.53].—I merely desire to say that I join fully in the expressions of regret that have been uttered by the Prime Minister and the acting leader of the Opposition in respect of the untimely death of Mr. Seddon. As one who spent the greater part of his boyhood's years in New Zealand, I know something of the enormous and Herculean task which was undertaken by that gentleman and his Government when he entered upon office some fourteen years ago, and I can fully sympathize with the people of that Colony in the loss which they have sustained by his removal from amongst them. New Zealand, during his term of office, with the assistance of those associated with him, replaced stagnation with progress, destitution with prosperity, and I honestly feel that on this occasion she has suffered a loss from which it will take her a very long time indeed to recover. I agree also with the suggestive remark of the Prime Minister when he says that the loss is not confined to New Zealand alone, but that the influence of the work of Mr. Seddon extended far beyond his own Colony, far beyond even these communities under the Southern Cross—beyond even the Empire itself—into the hearths and homes of every set of people who are interested in social and progressive legislation. I can only say that, so far as I am con-

cerned, I should have much preferred that his life's work had been completed, that the many additional courses that he had opened out for himself in prospective might have been followed with the same energy and vigour and earnest strenuousness that he exhibited in every other relation. Therefore, one must sincerely regret that he has been cut off in the sudden fashion that he has. I do not know what else I can add. He was certainly a man of initiative—one who never felt himself bound to follow the beaten path, but who blazed new tracks in legislation, and by demonstrating the practicability of scheme after scheme, reassured the timorous, not only in his own community, but in others. I join fully in the regret that has been expressed at his untimely demise, and believing that Australasian democracy has indeed lost a champion, I feel that the only consolation we have is the hope that his bright example may act as an incentive to others to follow in his footsteps, and to, at any rate, endeavour to achieve as much in the public interest as was accomplished by Mr. Seddon.

Mr. MALONEY (Melbourne) [2.57].—As one who has benefited much by the late Mr. Seddon's help, by his personal kindness, and as a personal friend, may I be permitted to say a few words? When he was over here upon a previous occasion not only his help, but his stimulating power, assisted me to override the great troubles which I was experiencing, and face them as a man should. He told me then that he liked me on account of my views, and on account of the party to which I belonged. Those words, strange to say, were echoed in this hall a week ago, when he was with us. When in a joking way I said—"Well, Mr. Seddon, they would not invite me to come to you, but they brought my opponent," he replied—"Never mind, my boy. You have Melbourne; hold it, and I shall see you again later on." Subsequently he gave me half-an-hour of his company, when he spoke of the time when we had previously met, and of many other occasions. Never shall I forget his kindness. In my opinion no Englishman has yet placed upon the statute-book of any nation or of any Colony the splendid humane Statutes for which he is responsible in New Zealand. He was the first to give to woman the right to vote equally with man. He was the first to take her from the category of lunatics and criminals in which she is included in Victoria, to the disgrace of this State. He did that, and he did more.

He was instrumental in bringing about that beneficent reform under which woman, in her hour of trial, when she stands sentinel 'twixt life and death, is cared for by the State-paid nurse. In the last words that he spoke in public he gloried that New Zealand as a country had the lowest death-rate in the world—a death-rate that is equalled only by the city of Adelaide. When we look at these matters, have I not the right to say that, whereas last week one of the greatest of Englishmen was alive, to-day he is with the dead, the glorious dead—and that his name will be handed down with honour, not only here, but also in England? We can indeed say, in all sincerity and with the deepest feeling, "Peace to his spirit, honour to his ashes, and glory to his memory."

Mr. KNOX (Kooyong) [3.].—Perhaps I may be permitted to add a few words in support of the motion now before the House, on behalf of the commercial community of the Commonwealth, who join, with one accord, in the expressions of profound regret at the death of so prominent a figure in our Empire. The loss to the sister State of New Zealand will be far-reaching and probably irreparable. Mr. Seddon had congenial work still to do in perfecting and adjusting the great Liberal movement with which his name has been, and will ever continue to be, associated; but, so far as that movement will promote the good of the whole people and benefit humanity, it cannot die with him, but will still live on. His work, particularly in later years, was manifestly influenced by an earnest desire to better the position and relations of his people. Mr. Seddon was, in every sense of the word, a strong man. He was a born leader of men, and he was quick to discern the moving tide and influences of our democracy, and was ever ready to guide and advise it. He took no narrow provincial view of the situation; he stood always for the Empire. In New Zealand, the Empire's outpost in the Pacific, he stood as the nation's sentinel, guarding our interests there, always watchful and far-seeing, and we cannot but deeply deplore that some of his most far-seeing and statesmanlike recommendations should have been so long neglected. The Empire, Australia, and New Zealand are poorer to-day because Richard Seddon is dead, and there can be only one feeling throughout this Commonwealth—a feeling of profound regret at

the loss of so prominent and so distinguished a citizen. I support the motion.

Question resolved in the affirmative.

Motion (by Mr. DEAKIN) agreed to—

That Mr. Speaker be requested to convey the resolution to Mrs. Seddon and the Government of New Zealand.

House adjourned at 3.5 p.m.

Senate.

Wednesday, 13 June, 1906.

The PRESIDENT took the chair at 2.30 p.m., and read prayers.

QUESTIONS WITHOUT NOTICE.

Senator PEARCE.—I desire to ask the Minister of Defence, without notice, a question.

Senator MILLEN.—Are questions without notice and not questions of which notice has been given to be asked?

The PRESIDENT. — The honorable senator is perfectly in order in asking a question without notice.

Senator MILLEN.—If the Government is going to allow its programme to be cut into in this way, I shall object.

Senator PLAYFORD.—I think that the question had better be given notice of.

The PRESIDENT.—I am only following standing order 62, which provides first that petitions may be presented, and, secondly, that notices of motions and questions may be given, and questions without notice asked. Senator Pearce is quite in order if he wishes to ask a question.

Senator PLAYFORD. — I think that Senator Pearce had better give notice of this question.

Senator PEARCE.—I have no wish, under the circumstances, to bring the matter forward to-day. I shall ask the question to-morrow.

SOCIALISM AND FAMILY LIFE.

Senator DE LARGIE.—On the ground of urgency, I desire to ask the leader of the Senate, without notice, if he has noticed in to-day's *Argus* the report of a meeting at Essendon, held under the auspices of the Women's National League, at which Mr. Johnson, M.H.R., made the following statement:—

Mr. Watson had said that he had no desire in his Socialism to interfere with the family life;

but this was all very fine, as it did not rest with Mr. Watson. His masters would compel him to dance to their music. A pure family life would not exist under Socialism.

Seeing that members of the Labour Party are constantly repudiating—

The PRESIDENT. — The honorable senator must not argue the question.

Senator DE LARGIE.—I am not going to enter into any argument, but merely to ask this question, seeing that members of the Labour Party are constantly repudiating these false charges—

The PRESIDENT.—Under our Standing Orders, the honorable senator is not in order in expressing an opinion in asking a question. He has expressed an opinion about false charges, and that is not in order. He can ask a question without expressing an opinion.

Senator MCGREGOR. — I contend, sir, that the honorable senator is not expressing an opinion, but only stating a fact, namely, that the Labour Party is always repudiating these false charges.

The PRESIDENT. — The honorable senator expressed an opinion as to certain charges being false, and I called attention to a standing order which says that in asking a question no expression of opinion shall be given.

Senator MCGREGOR.—No opinion has been expressed; but a statement of fact has been made.

The PRESIDENT.—Senator de Largie has made a statement, and now he can ask a question.

Senator DE LARGIE.—I beg to ask if the leader of the Senate can suggest any effective method which the Labour Party can adopt to put an end to these constantly recurring statements made in the press and elsewhere by its opponents

Senator PLAYFORD.—It is impossible for me to answer a question of this sort. Persons outside can make what statements they like. The bigger a lie is the greater chance there is of refuting it; a lie will recoil upon its authors. I have seen these statements reported. I know the aims and aspirations of the Labour Party—

The PRESIDENT.—The honorable senator must not argue in answering a question.

Senator PLAYFORD.—Then I will only say that I am not at present in a position to suggest any method to overcome the difficulty to which the honorable senator has referred.

DEATH OF MR. SEDDON.

SPECIAL ADJOURNMENT.

Senator PLAYFORD (South Australia—Minister of Defence) [2.37].—In the first place, I move—

That the Senate, at its rising, adjourn until to-morrow at 2.30 p.m.

At first I did not propose to ask the Senate to adjourn on the present occasion, but I found that many honorable senators strongly held the opinion that out of respect to the right honorable the Premier of New Zealand, whose untimely death we all mourn, we ought to adopt a course similar to that which was adopted yesterday by the other branch of the Legislature. This is a preliminary motion.

Senator MILLEN (New South Wales) [2.38].—I beg to second the motion.

Question resolved in the affirmative.

Senator PLAYFORD (South Australia—Minister of Defence) [2.39].—I move—

That the Senate places on record its profound regret at the untimely death of the right honorable Richard Seddon, and expresses its deep sympathy with his family and the people of New Zealand.

It was only last week that we had the pleasure of meeting the right honorable gentleman. For the first time I had the gratification of sitting alongside him when you, sir, and the Speaker gave a luncheon to the members of the Legislature. He then appeared to be in his usual health; he certainly was in excellent spirits, and I much enjoyed his conversation. To my surprise, when walking along a street in Adelaide on Monday morning, I was met by a gentleman, who said, "Have you heard the news? Mr. Seddon is dead!" Never dreaming for a moment that he referred to the right honorable gentleman, I said, "What Mr. Seddon?" as I thought it must be another gentleman of that name; and he replied, "The Premier of New Zealand." Of course the news of his death came upon us as a great blow. An unexpected calamity has fallen not merely upon his family, not merely upon the people over whom he has presided for many years with conspicuous ability and success, but also upon the whole of the people of Australasia, and to a considerable extent upon the people of the English-speaking world. The right honorable gentleman was well known. He was what is called in military parlance a "ranker"—a man who had risen from the ranks to a high and important position. He had no

silver spoon in his mouth when he was born, but he had to force his way by sheer strength of character and ability into the position which he so ably occupied. The legislation which he originated is well known to honorable senators. They know his history from the press. It may be recapitulated in a few words. Born in Lancashire in 1845, he learned the trade of an engineer, left the old country for Melbourne, worked in the Government workshops at Newport, went to the diggings and worked as a miner at Bendigo and at Ballarat, married in Victoria, and then left for the gold-fields in New Zealand, where he worked with pick and shovel as a miner, and afterwards went into business. When local government was extended he became one of the members of the first local government board on the gold-fields, where he had made himself well known and respected among his fellows. He took a very great interest in all matters affecting the well-being of the community. He was an Odd-fellow. He was at the head of all movements for the purpose of bettering the conditions of those with whom he came in contact. After serving for a time on this local government board, the constituency with which he was associated elected him a member of Parliament. In that capacity he served for twelve years before he attained Ministerial office. During that time he was known as a Liberal, and was a follower of that old democrat of whom we have heard so much and whom we all respected, the late Sir George Grey. He joined the Balance Ministry. On the death of its head, he became Premier, and for some fourteen years he held that position with credit to himself and with great advantage to his country. I do not know that I need say very much about the legislation which he introduced, and yet I think it advisable to shortly refer to a few matters. He liked to call himself, not a Liberal, not a labour man, not a Socialist, not an anti-Socialist, but, as he did when he was here, a humanitarian working for the benefit of humanity as a whole, irrespective of creed, and of any names which parties might choose to give him. Take the humanitarian legislation which has contributed so much to his reputation. The first great measure which he got enacted—it was first originated by the Right Honorable Charles Cameron Kingston, in South Australia—was a measure with regard to arbitration for the purpose of preventing

strikes. He introduced supplementary legislation for the purpose of enabling a workman to get fair hours of labour and a reasonable wage for his exertions. He started to break up the big estates, not by unfair means, not by confiscation, but by taking compulsory power to purchase at a fair price. Up to the time of his death he had spent £4,000,000 of the people's money in the purchase of these properties, with beneficial results to the people of the community. Where sheep once roamed human beings are now living, and living, too, in competence, if not in affluence. Mr. Seddon also did what was looked upon as a very dangerous thing. He agreed to lend money to the people. He started a system of State loans for the purpose of assisting struggling farmers and settlers. Those who have had experience of land occupation know that the first few years of a settler's life, when he has to clear and plough, and wait before he can get a return, is a time of stress and trouble, but that with a little help and assistance to tide him over that period of struggle, he can go alone. Mr. Seddon was also the means of getting enacted an old-age pension scheme, womanhood suffrage, and a number of other laws. He did not get all his advanced legislation passed without opposition and without an immense amount of labour on his part. He had strong opposition for years. He had an Upper House to fight and to conquer. But, sticking to his colours, fighting strenuously for what he believed to be right, he accomplished the legislation to which I have alluded; and, although in his own State it was considered by many, and outside his own State, especially in Australasia, it was considered by many more, that the legislation that he introduced would result in disaster to New Zealand, we know that, instead of its resulting disastrously, Mr. Seddon was able only last week to assure us—and on more than one occasion in his tour of these States he assured our people—that New Zealand has never been more prosperous than she is to-day. He made an unique statement—a statement which I only wish we also could make in regard to our States in this great continent—that was that there were no unemployed in New Zealand. That spoke volumes for the prosperity of the country. And it is in consequence of this legislation that Mr. Seddon's name is known throughout the

civilized world to-day. He was a man of strong individuality, a man of great determination, and of resolute will, a far-seeing man. Sum up his character as we will, we must say that he was a thorough statesman. And now we have lost him. He has gone to "that bourne from which no traveller returns." We have to mourn his loss. To his family—to his beloved wife and his children—that loss is irreparable. To the people of New Zealand it may not be irreparable, but still it is a very great loss. Great man as he was, however, he had disciples. He founded a school. He educated those who came in contact with him, so that they will be able to take his place, just as Socrates educated Plato and Xenophon, and as Our Lord educated His Disciples. I have no doubt, therefore, that New Zealand will be able to find some one to take his place, and to take it with credit. But, still, after all, his death is a great loss. He was only sixty-one years of age, and in ordinary circumstances at least ten years of good, active life might still have been before him—aye, if we consider some cases, we can say that he might have been expected to have fifteen years of useful life before him, for we have known statesmen to be, not perhaps in their prime, but still capable of filling an exalted position with distinguished ability, when they have been over 80 years of age, as in the instance of Mr. Gladstone. When we compare Mr. Seddon's case with such instances as that, we may say that he has been cut off in his prime. But he has at least died in harness; and I think that, if he had chosen the mode of his own death, he would have chosen that mode in preference to any other. His end was painless. He was spared the fate of lingering on a sick-bed, perhaps, for weeks, months, or years. What more can I say on the subject? I can only add that we condole most sincerely with his family, and with his people in New Zealand, and, as a proof of our deep sympathy with them, I ask the Senate to pass the motion which I have submitted.

Senator MILLEN (New South Wales) [2.51].—I rise, sir, to second the motion which has been moved by the Minister of Defence, and to indorse, so far as indorsement is necessary, the expression of regret and sympathy which, by means of that motion, it is sought to place on record. The loss which we deplore to-day is not merely the loss of New Zealand or of Aus-

tralia, but is the loss of the Empire. The nature of the loss is indicated not merely by the widespread expressions, of regret, and the numerous resolutions of this kind which have been adopted throughout Australia, but also by the just and spontaneous estimate of the value of the deceased statesman's work by the great public journals of the Motherland. Mr. President, to whatever phase of Mr. Seddon's life we look, we are compelled to admiration. Whether as a miner, bouyant and resolute, taking his part in the early pioneer work of this State; whether as the moving spirit and guiding hand in the public affairs of New Zealand; or whether as a vital force in matters of Imperial concern—Richard Seddon has won for himself an honorable place among the men who have done so much to make the Empire what it is—who have broadened its foundations; who have increased its prosperity, who have brightened its present, and have secured to us an assurance of its future. It is in looking on Mr. Seddon, whether as an individual or as a public man, that we begin to recognise his true and sterling character. Tireless in his work, patriotic in his ambitions, broad and far-seeing in his views, masterful in his methods, he has erected his own best monument. No resolution which we can place on record can secure to him or to his memory that which he has honestly earned by his own inherent ability. When, Mr. President—and it will come before long in his own State — those who survive him seek to perpetuate his memory in stone or marble, let us not forget that nothing which we can do in that way can secure to him that which he himself has secured, and that is the recognition of the fact that the field of his immediate labour is the richer for his life, and that the Empire to-day is the poorer for his death. It is fitting that we should place on record our sense of the loss we have sustained, but in doing so, may I express the hope set out in the resolution, that while in it we record our sense of a great public loss, it may also be a source of consolation to those whose hearts to-day are suffering the first anguish of bereavement.

Senator MCGREGOR (South Australia) [2.55].—I rise to support the motion with the sincerest feelings of regret on my own behalf and that of the party which I represent. I am sure that we may say that the same deep sense of the loss we have

sustained stirs the breast of every Australian and of every progressive individual in the whole world. I, as representing the party to which I belong, may, with stronger feelings, express our sorrow, because it was amongst us last Friday afternoon that the Right Honorable Richard Seddon uttered his last words of a semi-public character. I, as well as others who were there that day, was deeply touched by the human sympathy to which expression was given by him. I am very glad, with every other person who supports progressive movements, to find that the memory of Richard Seddon is so universally revered to-day. We know that in the earlier part of his public career he had very severe struggles. He had to contend with the prejudices and the injustices against which every public man professing a progressive policy has had to fight since the world began. But we find now that every one is beginning to recognise that after all the Right Honorable Richard Seddon was right. The policy that has been so long advocated and delayed in Australia must be right also, because it is exactly the same as he passed in New Zealand years ago. When we come to realize these facts, the party to which I belong cannot but feel very sincerely the deepest regret at the setting of a star that has guided them for so long. I, therefore, join very heartily in supporting the motion: and I know that the memory of the Right Honorable Richard Seddon will live in the hearts of the people of Australia for generations to come.

Question resolved in the affirmative.

The PRESIDENT.—I may intimate that the resolution has been carried unanimously.

Senate adjourned at 2.59 p.m.

House of Representatives.

Wednesday, 13 June, 1906.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

INTER-PARLIAMENTARY CONFERENCE.

Mr. DEAKIN.—A somewhat unusual invitation, which extends to the whole of

the Federal Parliament, has been received in the following cable message from Mr. William Randall Cremer, M.P.:—

Cordially invite members Federal Parliament Conference Inter-Parliamentary Arbitration Union, Westminster, July 23. Twenty Parliaments participating.

Mr. Randall Cremer has been a member of the House of Commons for upwards of twenty years. He was the founder of the Inter-Parliamentary Conferences which have met since 1888 at Paris, London, Rome, Berne, the Hague, Buda Pesth, Brussels, Christiana, Vienna, and St. Louis, U.S.A. He has been prominent in all movements having for their object the settlement of international disputes by arbitration, and was actively associated in promoting the Anglo-American Treaty of Arbitration. His services in the cause of peace were recognised when, in 1903, the gold medal and Nobel Peace Prize were allotted to him. Of the amount of that prize he gave £7,000 to the International Arbitration League as an endowment. That league is an influential body, having 102 members of Parliament as vice-presidents.

INTRODUCTION OF MICROBES.

Mr. JOSEPH COOK.—I understand that the Government have taken steps to prevent the use of the microbes which Dr. Danysz has brought from France for experimental purposes. Will the Minister for Trade and Customs state precisely what has been done, and with what object?

Sir WILLIAM LYNE.—The Government has, if I may use the term, impounded the microbes in Dr. Tidswell's laboratory, to be held there until further directions are given. It is not intended to take further action, pending the discussion of the notice of motion of the honorable and learned member for West Sydney, unless it is represented by Dr. Tidswell that the microbes may be injured by delay; but I saw him in Sydney, and he informed me that he did not think that any harm would be done to them. If the discussion of the motion is not deferred too long, no instructions will be given until it has been disposed of.

Mr. JOSEPH COOK.—Will the Government facilitate the discussion of the motion, in view of the very grave importance of the matter at issue?

Mr. DEAKIN.—If the honorable and learned member for West Sydney will consult with me, I shall endeavour to fix a very early date for the discussion of his motion.

Government of Queensland dealing with the deportation of kanakas?

Mr. DEAKIN.—Yes, when further advanced.

LAND SETTLEMENT: NORTHERN TERRITORY.

Mr. HIGGINS asked the Prime Minister, *upon notice*—

1. Is anything yet being done, or is anything going to be done, by the Government in the direction of getting suitable white settlers for the unused and partially used lands of Australia?

2. What is the present state of the negotiations for the cession of the Northern Territory to the Commonwealth?

Mr. DEAKIN.—The answers to the honorable and learned member's questions are as follow:—

1. Yes, as promised in the Governor-General's speech. The correspondence since the Premier's Conference will shortly be laid before Parliament.

2. Awaiting a reply from the Government of South Australia.

GOVERNMENT HOUSES: SYDNEY AND MELBOURNE.

Mr. McDONALD asked the Minister of Home Affairs, *upon notice*—

In view of the demand made by the Premier of Victoria for the sum of £3,000 a year rental for Government House, will the Government take the necessary steps to arrange for the Governor-General to reside in Sydney, and save the expenses entailed by the upkeep of Government House, Melbourne?

Mr. GROOM.—I would ask the honorable member to postpone his question for a week, because correspondence on the subject is now proceeding between the Commonwealth Government and the Victorian Government.

EXAMINATIONS FOR TELEGRAPHISTS.

Mr. HIGGINS asked the Acting Postmaster-General, *upon notice*—

1. Is it true that telegraphists in the 4th subdivision of the 5th class are compelled to pass an examination before passing to the 5th subdivision?

2. If so, under what power is the examination held; and if there is power, why is it not exercised in the case of other subdivisions, and in the case of clerks?

3. Is it true that by means of this examination most of the female telegraphists are kept at £120 per annum, and prevented from passing to £140, as prescribed by the Act?

4. Is it the policy of the Commissioner to keep female operators from getting increments under the same conditions as male operators?

Mr. EWING.—The replies furnished by the Public Service Commissioner are as follow:—

1. Yes.

2. Sub-section 5 of section 21 of the Public Service Act entitles the Public Service Commissioner, before granting an increment, to satisfy himself that the officer possesses the requisite efficiency to justify such increase. The examination has been arranged upon the subdivision because £120 per annum is a reasonable advance upon the minimum wage, and is full value for the work of officers who cannot pass a simple examination in their daily work. While telegraphic efficiency can be accurately gauged by means of practical tests, it is impracticable to adopt the same method of appraisal in the case of clerks, whose duties are diverse, and who, if not suited to a particular class of work, can be transferred to other clerical duties.

3. No; female telegraphists are subject to exactly the same tests as, and their efficiency is gauged on an identical basis with, male telegraphists.

4. No; identically the same conditions apply to male and female operators.

IMPERIAL SHIPPING CONFERENCE.

Mr. HUGHES asked the Prime Minister, *upon notice*—

Whether he intends to give effect to the recommendation of the Royal Commission on the Navigation Bill that delegates from the Commonwealth should attend the proposed Imperial Shipping Conference in London?

Mr. DEAKIN.—The answer to the honorable and learned member's question is as follows:—

After consultation with the right honorable the Premier of New Zealand, the Government have agreed to send delegates to the Conference, provided it is held shortly before April next year. So far no reply has been received to the suggestion as to date.

Mr. HUGHES.—Has the Prime Minister any objection to laying the correspondence on the table?

Mr. DEAKIN.—The consultation with Mr. Seddon was verbal, and, as a result, a cable was sent to England, to which we have not yet received a reply.

FINANCIAL RELATIONS OF THE COMMONWEALTH AND THE STATES.

Mr. HIGGINS asked the Treasurer, *upon notice*—

Can he state now, or at some early date, for the consideration of the House and of the public, the present position of the questions of the financial relations of the Commonwealth and the States, the bookkeeping system between the States, and the taking over of the debts?

Sir JOHN FORREST.—In reply to the honorable and learned member, I desire to say :—

These subjects are receiving the attention of the Government, and, it is hoped, may be dealt with when the Budget is submitted to Parliament.

BENDIGO LIGHT HORSE BRIGADE.

Sir JOHN QUICK asked the Minister representing the Minister of Defence, *upon notice*—

What steps have been taken to form a squadron of the Light Horse Brigade in Bendigo, as suggested last session?

Mr. EWING.—The answer to the honorable and learned member's question is as follows :—

Bendigo is in the district in which the 9th Australian Light Horse Regiment is raised, and squadrons are already allotted, which make up the authorized Peace Establishment under the existing organization. Some changes in connexion with two of the squadrons are, however, under consideration, and a recommendation regarding the same will be made by the Military Board, probably next week.

DATE OF GENERAL ELECTIONS.

Mr. PHILLIPS asked the Minister of Home Affairs, *upon notice*—

Whether, in view of the fact that the months of November and December are busy months with the farming community, it is possible to hold the elections for the Senate and House of Representatives in the month of October?

Mr. GROOM.—The answer to the honorable member's question is as follows :—

The Chief Electoral Officer reports that, having regard to the proposed redistribution of the States, and to the large number of polling places requiring re-adjustment, and to the time which will be occupied in reprinting the rolls, in his opinion, it would not be practicable to hold a general election in the month of October.

Mr. SPENCE asked the Minister of Home Affairs, *upon notice*—

Whether he is aware that the month of October is the middle of the shearing season, and that thousands of electors are then so circumstanced as to be unable to vote either in person or by post, and, in view of that, will he arrange that the coming elections be held later in the year?

Mr. GROOM.—The information desired is contained in the reply given to the honorable member for Wimmera.

APPOINTMENT OF STATES GOVERNORS.

Mr. CROUCH asked the Prime Minister, *upon notice*—

1. Whether his attention has been directed to the fact that Lieutenant-Governors, correspond-

ing to the position of State Governors in Australia, have been appointed in two of the colonies of South Africa by the High Commissioner from South African men?

2. Whether it is not a power under the Constitution, and was not at first intended as the Australian practice to give the power to appoint State Governors in Australia, as in Canada, to the Governor-General?

3. Whether he will advise the Colonial Office to reserve this power to the Governor-General in all future State appointments?

Mr. DEAKIN.—The answers to the honorable and learned member's questions are as follow :—

1. No. Presumably these are not self-governing colonies.

2 and 3. There does not appear to be any authority conferred on the Governor-General by the Constitution to make such appointments.

GOVERNOR-GENERAL'S SPEECH: ADDRESS-IN-REPLY.

Debate resumed from 8th June (*vide* page 83), on motion by Sir LANGDON BONYTHON—

That the Address-in-Reply to His Excellency's speech as read by the Clerk be agreed to by the House.

Mr. JOHNSON (Lang) [2.43].—It is not always easy to preserve the continuity of one's remarks when they are interrupted by so long an adjournment as that which has occurred since Friday last. When the debate was adjourned, I was proceeding to enter my protest against the Government continuing to bring forward proposed legislation when it was obvious, not only that they had not a majority of their own supporters behind them, but that the support of the party which was keeping them in office was being flung at them in the most contemptuous manner.

Mr. PAGE.—Why not put them out of office instead of weeping and wailing?

Mr. JOHNSON.—The honorable member for Maranoa may not like what I am saying, but I cannot help that. Not more than twelve months ago the Prime Minister said—

You may accept if you please every item in the published labour programme—the fighting programme of the future, its present programme, the State programme, the Federal programme—and yet be excluded from the ranks of that party. You must swallow not only the programme but the organizations. What is more, you must swallow them whole. If you accept every article in the programme, support every proposal they put forward, and you once endeavour—as many of their own members have proved in this and other States—to assert your individuality, if you once try to have an

independent mind on other subjects or in relation to party arrangements, you are a heretic, banned with bell, book, and candle.

I would remind the Prime Minister that these are the words which he applied to the party by whose assistance alone he is able to retain his present position. About the same period he pointed out—

Those most closely allied with the Labour Party, those who make the greatest sacrifices for them, who stand closest to them, and who most wish to help them, are always the first to be sacrificed by them. One may help the Labour Party for one month, two months, three months, or four months, but the moment that one stops or makes a single independent step he is treated as a bitter enemy. After being apparently trusted, he will be treated as if suspected from the very first moment; he will be condemned as if he had attacked them from the outset. That is the treatment which follows alliances with political machines.

These remarks are as applicable to the Labour Party to-day as they were when they were uttered, and one could feel some sympathy with the Government in their present humiliating position but for the fact that they accepted office with a full knowledge of the degrading conditions attached to it, and a full appreciation of the ingratitude of the party whose proposals they are doing so much to embody in our legislation. I might point out that the remarks I quoted from the *Brisbane Worker* last week have been borne out by Mr. Heaghney, the secretary of the Sydney Labour Conference, who, when speaking recently at a picnic, said:—

We are practically on the eve of a battle, and we have just held a council of war. Many were inclined to have the enemy in our service as mercenaries, but the decision has been arrived at to put them to the sword at all quarters. Those who have been inclined to hire the mercenaries are now ready to put them to the sword to-morrow. We shall go forward to the fight as fanatically as Mahomedans.

There is a nice prospect for the Government to look forward to. They can no longer be in ignorance of the fate that awaits them at the hands of the party which they are doing so much to assist, and which, when it occupied the Treasury Bench, had not the courage to bring forward legislation embodying the principal planks in its platform. The speech of the Governor-General is significant, not so much for what it puts forward, as for what it omits. It is important to note that it contains no declaration as to the intentions of the Government with regard to the proposals which have been put forward by the leader of the Labour Party upon the

question of Socialism and progressive land taxation. I have carefully read the Prime Minister's speech on the Address-in-Reply, and have failed to 'derive any enlightenment as to the attitude of the Government on these questions. The leader of the Labour Party, when he put forward his proposal for a progressive land tax at Crow's Nest, challenged the Prime Minister to declare his attitude towards it. The Prime Minister has not done so. Upon the first occasion that he made any reference to the subject, he stated that he was opposed to the imposition of a progressive land tax, on the ground that it was a matter entirely within the domain of the States Governments. In his next public deliverance he did not take up an attitude of direct opposition, but attempted to evade the issue. Now, in the light of the insistent declaration of the leader of the Labour Party that proposals for a progressive land tax will be submitted as part of the Labour Socialist policy at the next general election, the attitude of the Prime Minister is one of wavering uncertainty. It is non-committal, because, as he says, he does not want to commit his party before they have had an opportunity to discuss the matter in Cabinet. We have, however, had a public declaration by one Minister—the Treasurer—and it will be interesting to know whether the Government intend to ask that Minister to send in his resignation, or whether he will be called upon to climb down. The Treasurer was most emphatic in declaring his opposition to a progressive land tax. It will be interesting to watch the developments of the next few days or few weeks, as the case may be, to ascertain what will be the attitude of the Government in regard to this most important question. The Prime Minister made one statement which I cordially indorse, when he said that the land problem is at the root of all other political problems, and that no industrial questions can be satisfactorily settled until the land question has been intelligently and satisfactorily disposed of. Whilst I entirely disagree with the proposals of the leader of the Labour Party in regard to his progressive land taxation scheme, I have always favoured the principle of land values taxation. Upon that question I do not see eye to eye with all those who sit upon the same side of the House as I do. I believe that the Prime Minister is right when he declares that the land question is

M. Johnson.

at the root of the whole industrial question, and that the latter cannot be settled satisfactorily until we have successfully grappled with the former. Of course, I recognise that we now occupy a very difficult position by reason of the fact that we have six State Parliaments, in addition to the Commonwealth Parliament, all practically possessed of the same powers of taxation, except as regards one source of revenue, namely, the Customs, which, of course, is entirely under Federal jurisdiction. I realize that very great difficulty will be experienced in grappling with the land question, unless some amicable arrangement in regard to it can be arrived at with the different States. I am totally opposed to the principle of progressive land taxation, which the leader of the Labour Party has put forward, and with which the Prime Minister himself has inferentially admitted he is in agreement, as applied, of course, only by the States. But whilst the leader of the Labour Party to-day contends for an exemption up to £5,000 of land values, it is interesting to recall that he was not always in favour of that exemption. Indeed, I do not think that he was always in favour of the principle of land values taxation itself, as a matter for Federal legislation. Whilst I do not make that assertion with any degree of positiveness, that is my impression. But be that as it may, I am certainly under no misapprehension when I say that it is only very recently that he has favoured an exemption up to £5,000 of land values.

Mr. WATKINS.—When did he say anything else?

Mr. JOHNSON.—In the New South Wales Parliament he not only spoke against an exemption up to £1,000 of land values, but voted against the proposal.

Mr. RONALD.—That is ancient history.

Mr. JOHNSON.—I propose to quote exactly what he said at that time. In reply to the question put by Mr. Copeland—

Why did the honorable member vote against the £1,000?

the leader of the Labour Party said—

“Because I believe it to be too great an exemption.”

Mr. POYNTON.—From what is the honorable member quoting?

Mr. JOHNSON.—I am quoting from the New South Wales *Hansard* of the 7th of March, 1895. The leader of the Labour

Party, in discussing the land proposals of Mr. Reid at that time, said—

Mr. POYNTON.—The honorable member for Bland was not the leader of the Labour Party then.

Mr. JOHNSON.—I am speaking of the attitude of the honorable member for Bland upon the occasion in question, irrespective of whether he was the leader of the Labour Party or not. My own impression is that he was. However, that consideration is quite immaterial to my argument. The honorable member continued—

I voted in favour of the £500 because, as far as I can see, it is reasonable. I believe that £1,000 would allow many large holders to escape. If this evil is existent—that men who hold land in large areas would cut it up to such an extent as to escape a good deal of taxation—if that exists in regard to the £500, it is twice as great an evil in regard to the £1,000.

If the honorable member really believes that to exempt from taxation the holders of land values up to £1,000 is twice as great an evil as to exempt those who hold land values up to £500, it necessarily follows that a £5,000 exemption which he now advocates must be ten times as great an evil.

Mr. DAVID THOMSON.—Irrespective of whether the taxation is levied for State or Federal purposes?

Mr. JOHNSON.—That consideration does not affect the principle one iota. It will be observed that the leader of the Labour Party declared that an exemption of £1,000 was too high because it would allow a great many large landholders to escape taxation. If that were so then, it must be obvious that such an exemption will permit just as many large landholders to escape at the present time. But the key-note of the honorable member's reasons for favouring an exemption up to £500 worth of land values is to be found in the following words which he uttered upon that occasion—

I take it that each one of them—

referring to the members of his own party—will have to answer to their constituents for their attitude on this question. If the Bill is carried in a form in which they will have prevented any exemption from being arrived at, they will have to answer to their constituents for it. If, therefore, they do not believe in any exemption, let them by all means negative the proposal now made.

That was an appeal to the members of his party not to assert a principle because of its inherent soundness, but simply to aim at one class of landholders in the community

because they happen to hold large areas, and to throw a sop to the larger number of smaller holders, whose votes the honorable member preferred to gain, rather than maintain a sound principle that he professed to believe in. I do not agree with that idea at all. I am in agreement with the principle of land values taxation because I believe that the land question is at the root of all other questions. If we are going to institute a system of land values taxation it must apply all round. Further, it must apply in an equal ratio all round, and must not be an addition to existing taxes, but a substitute for such taxes. I do not advocate any additional burdens, but a lightening of those burdens by changing the incidence of taxation. It must not operate as the progressive land tax would operate, by mulcting some persons in double and treble the rate that others would be required to pay. If we are to have a land tax of 1d., 2d., or 3d. in the £1, the same rate should be levied all round, so that the man who owns £1 worth of land would contribute in exactly the same proportion as the larger holders.

Mr. THOMAS.—I beg to draw attention to the state of the House—[*Quorum formed*].

Mr. JOHNSON.—I was proceeding to show that if the principle of land taxation be a sound one, it should be applied without discrimination all round. It should apply equally to the owner of £1 worth of land as to the owner of £1,000,000 worth.

Mr. WEBSTER.—Is the honorable member in favour of an all-round land tax of 3d. in the £1?

Mr. JOHNSON.—I do not propose to discuss that question at the present time. My point is that the imposition of a progressive land tax would constitute an attempt which is characteristic of most of the Labour Party's legislation, to benefit one class of the community at the expense of all others. The proposal merely affords another instance of that class legislation which I have consistently opposed being placed upon our statute-book at the instigation of the party which at present controls the Ministry. If it be just to institute a system of land taxation undoubtedly it should apply all round. The reason underlying any exemption that may be suggested by the Labour Party springs from a desire to placate a certain section of

the community, and to obtain their votes. But I warn the electors that when once the thin end of the wedge has been got in, the progressive system will be made to apply all round, and those who have been deluded into voting for it will discover that they have been victimized. I believe in the principle of land value taxation, and the exemption of improvements, as a matter of justice, quite apart from the consideration of the question of whether this Parliament has a right to impose such taxation upon the people. That is a constitutional matter which must be fought out by members of the legal profession. Speaking in regard to the principle itself, I say that it should be made to apply all round, and that its introduction should be concurrent with a reduction of other taxation, and not an addition to it. We should not have a State land tax and a Federal land tax. We should endeavour to arrive at an amicable arrangement with the States, under which this Parliament should have the sole control of their lands in regard to measures of taxation, outside of taxation for purely local government purposes. If we can come to some such arrangement, I am certain that we shall speedily settle all those industrial troubles which legislation has been vainly endeavouring to remedy for so many years.

Mr. WEBSTER.—Will the honorable member tell us what he proposes to substitute?

Mr. JOHNSON.—It is for the Government to make proposals. I am not here to make proposals, but to criticise those which have been already submitted, and to show that they should not commend themselves to our judgment, either on the ground of principle, of justice, or of honesty. As a matter of fact, the proposal put forward by the honorable member for Bland, and in regard to which the Prime Minister does not appear to be quite able to make up his mind, is one which is aimed at only one section of the community. I maintain that land values belong as of right to the community as a whole, because they are produced by the presence, growth of the necessities and activities of the people. If they belong to the community, it necessarily follows that it is right that the community should have power to tax them for public purposes. And if it be wrong for an individual to appropriate to himself £5,000 worth of land values,

it is equally wrong for him to appropriate to himself £1 worth. I see no difference in principle between the owner of £1 worth of land and the owner of £5,000.

Mr. POYNTON.—The honorable member would rob him of the lot?

Mr. JOHNSON.—The honorable member for Grey admits, then, that his leader proposes to rob all those who are possessed of more than £5,000 worth of land values. According to his dictum, it is right to rob those who hold more than £5,000 worth, but holders up to that value should not be touched. If it is robbery to tax £1 worth of land one penny, it must be exactly a thousand times as big a robbery to tax £1,000 of land the thousand pennies. But although we always are met with the charge of robbery when it is proposed to tax land values, the honorable member for Grey would repudiate any accusation of robbery when the tax is imposed on the soap, candles, and kerosene of the washerwoman who owns not a farthing's worth of land. If the honorable member for Grey believes that it is robbery to impose a tax upon land values, he must admit that it is just as much robbery to tax the holder of £5,000 worth as it is to tax the owner of £5,001 worth.

Mr. POYNTON.—The question does not present itself to me in that light.

Mr. JOHNSON.—There are many points that do not occur, perhaps, to the honorable member until they are brought to his notice in such a way that he cannot escape from them. Passing away from that subject to the attitude of the Prime Minister on the question of Socialism, I would point out that we have not been enlightened by him as to the position that he and his colleagues take up upon the question which, above all others, is bound to be fought out at the next general election. The issue is going to be placed before the country, not by those who occupy the Treasury benches at the present moment, but by the party at whose bidding they must dance, and who set the tune for them. It was due to this Parliament, therefore, that some reference should have been made by the Prime Minister to the attitude that the Government proposed to take upon this question.

Mr. POYNTON.—Does not the honorable member think that his own party ought to state its attitude more clearly?

Mr. JOHNSON.—There is no ambiguity about the attitude of the party to which I belong—it is one of straight-out

opposition to Socialism in all its forms. There is no "beating about the bush," so far as we are concerned. Our attitude towards Socialism is one of uncompromising hostility, because we regard it as a danger to the community. When I say this, I wish it to be understood that I am speaking with the utmost good feeling towards the Labour Party and those whom they represent personally, but I believe that in endeavouring to bring about an alteration of existing conditions—an alteration which some of them, I think, honestly believe will be for the better—they are seeking to establish a revolutionary system which will tend only to bring down the people to utter and abject slavery. Any one who has studied the proposals of the Socialists as propounded by their ablest thinkers and writers must come to that conclusion. That being so, we were entitled to have from the Prime Minister some definite pronouncement as to his attitude and that of his Government upon this question. I have no doubt that by the time the general election comes round the Ministry will gradually find themselves getting closer and closer to the Labour Party in regard to these proposals.

Mr. JOSEPH COOK.—The Labour Party are already in hot retreat from Socialism.

Mr. JOHNSON.—I was about to refer to that point. Since the first declaration of their objective in relation to Socialism the Labour Party have been industriously seeking to run away from it. Each succeeding utterance of their leader has been so watered down that at the next general election we shall probably seek in vain in their declarations to the electors for a vestige of that objective which they started out so boldly and valiantly to proclaim when they thought that public opinion was likely to be with them. At the very first sign that public feeling was against their socialistic proposals we beheld them, not standing up like valiant warriors for the principles in which they professed so ardently to believe, not prepared to hold their banner aloft as we should have expected of men who were prepared to do battle for principle, but explaining again and again that they did not mean this or that, and that it was the other fellow who called them Socialists. They have now reached the stage at which they begin to feel ashamed of the very name of Socialists. They whine that "these fellows who belong to Reid's party class the Labour Party as Socialists," wholly overlooking the fact that the leader

of the party himself declared at the Labour Conference that it should be a *sine qua non* of membership of the Labour Leagues that all candidates for membership should be Socialists.

Mr. POYNTON.—The honorable member is a Socialist.

Mr. JOHNSON.—The honorable member is quite wrong, as usual. I have never had any sympathy with anything in the nature of Socialism as I understand the term. Whilst we have the Labour Party on the one hand complaining that we are calling them Socialists without warrant, and endeavouring to explain that they are not Socialists, we have individual members of the party touring the country, and preaching Socialism of the most rabid kind. I have here the latest issue of the *Queensland Worker*, which contains an interview with the honorable member for Maranoa upon this subject. I propose to quote briefly from it.

Mr. POYNTON.—Read the lot, and we shall get the truth.

Mr. JOHNSON.—The House will have the whole truth, because I shall read all that the honorable member had to say on this subject.

Mr. JOSEPH COOK.—Let us see whether the Labour Party will accept the statement as the truth.

Mr. JOHNSON.—I am anxious to learn whether they are prepared to indorse it. If they are we shall know exactly what their position is. Unfortunately, however, the leader of the party at present makes so many contradictory statements on the public platform that it is difficult to know where they stand. The honorable member for Maranoa does not leave us in doubt as to his attitude. He is quite enthusiastic about it. The report sets forth that the interviewer asked him—

“And what about the honorable member for Maranoa?”

“Well,” said he, in tones that shook the Trades Hall to its foundations, “I let them know where Jim Page stands all right. I am a Socialist, and I not only believe in Socialism in our time, but in Socialism all the time.”

The interviewer went on to inquire—

“You spoke at Barcaldine, too?”

“Yes; and the best thing that happened there was to hear Brother Ryland expounding Socialism.”

These Socialists call each other “brother,” and also address each other by their Christian names.

Mr. HIGGINS.—Is there any harm in that?

Mr. JOHNSON.—Not the least. It is a kind of familiarity that is very refreshing, especially among men who are often personal strangers to each other. The honorable member for Maranoa went on to say—

“It would have done your heart good to listen to him. Why, bless you, none of our Objectives go half far enough for him! He told them he was not only a Socialist but a true Anarchist, in the proper meaning of that much abused word. I’ve heard Tom Mann going ‘the whole hog’ pretty strong, but even he’s not in it with Brother Ryland.”

That is the kind of Socialism of which the Labour Party speak in Queensland; they go “the whole hog.” There is no ambiguity about this statement, and I say that it is neither courageous nor honest on the part of the leader of the Labour Party to tour New South Wales, as he has been doing, endeavouring to run away from Socialism, or else seeking to associate it with the principles of Christianity. That, I think, is the worst feature of the whole business.

Mr. WEBSTER.—I am sorry to hear the honorable member talking about Christianity.

Mr. JOHNSON.—I hold that there is nothing in common between the principles of Socialism—which appeal to the basest instincts of humanity—and the noble ideals of Christianity. It is little short of blasphemy to seek to associate the two.

Mr. POYNTON.—It is such men as the honorable member who tour the country lying about us.

Mr. JOHNSON.—There is no foundation whatever for that statement. It is the labour organs of the party to which the honorable member belongs that decry and belittle Christianity, in common with leading Socialist authorities. I have only to go to the labour organs to prove my contention as to what is their attitude in regard to religion. Let me quote from the *Tocsin*, one of the recognised organs of the Labour Party, and show the House its published views of religion, and the Labour Party’s creed:—

Labour, unlike all other political parties in Australia, is utterly creedless and unprejudiced. Most of its members have outlived the silly gibberings and superstitions of unwashed dogma, and the few who will take stock in the same are treated with brotherly indifference and forbearance. To the Labour Party militant gods and

josses and creeds and scraps of theology are as nothing, and social and industrial reform are the whole world. Whether a man worships a portion of his woodheap, or goes in for hard-husk Baptist proceedings, or laughs at the whole yowling zoo of prophets and apostles and saints, troubles the Labour Party less than the colour of Satan's boots.

What it does care about is the welfare of the man, the wage he gets, how much sweat he perspires for it, and similar close-at-hand claspable affairs. Man's body, in short, is absolutely all that he cares about; his soul—if he has any—can rip.

There is not much Christianity about a sentiment of that kind.

Mr. POYNTON.—The honorable member knows that that statement was repudiated.

Mr. JOHNSON.—I am not aware of the fact, if fact it be. But I do know that since that appeared the same journal has published much of a like character; then the *Queensland Worker* has declared that they want no gods; that there is no room for a God in the Labour Party.

Mr. WEBSTER.—What is the date of the *Tocsin* from which the honorable member has just quoted?

Mr. JOHNSON.—It was published in April, 1904—during the life of the present Parliament, and just prior to the last Victorian State elections. The *Tocsin* went on to say—

By downing every candidate with the faintest suspicion of religious leaning, and by putting in men armed only with a firm regard for the people's secular welfare, this State's electors will do the thing which above all others is right. For, take it any road you will, religion is a curse, and a snare and a delusion and a malicious sham, and all those qualities are pre-eminently suitable for leaving outside of Parliament.

What semblance of Christianity is there to be found in such a declaration? The honorable member for Grey challenged my right to say that the Socialist movement was not allied with Christian principles, and I have made these quotations to show what the recognised official organs of labour say in regard to the grand principles of Christianity, which most of us, I trust, hold in respect and reverence.

Mr. POYNTON.—Why is not the honorable member honest enough to show how those statements came to be published?

Mr. JOHNSON.—That is a matter with which I am not concerned. They have been published, not once, but repeatedly. There is at the present time a member of the other branch of this Parliament who was at one time the editor of the *Tocsin*, and whilst

a member of the State Parliament he allowed to be published in it statements which the State Legislature felt demanded an apology from him. They called upon him to apologize, and, I believe, took an even more drastic step.

Mr. POYNTON.—And after that the electors returned him to the Federal Parliament.

Mr. JOHNSON.—More shame to the electors who returned him after he had published such statements. Electors who return to Parliament a man who would print and distribute throughout the land sentiments of that kind in regard to one of our most cherished and revered institutions do not reflect very much credit upon themselves. I do not wish, however, to pursue this subject further. The honorable member for Grey challenged me, and I gave him my authority for my statement.

Mr. POYNTON.—I say that the honorable member is giving it dishonestly. He has not given us the whole statement.

Mr. JOHNSON.—I have read the statement so far as it relates to the principle involved.

Mr. POYNTON.—The honorable member has given us half of the truth, and half the truth is worse than a lie.

Mr. JOHNSON.—The honorable member's assertion is absolutely incorrect; I challenge him to point out in what respect I have suppressed the truth, for I have wittingly omitted nothing that materially bears on the question.

Mr. POYNTON.—The honorable member has omitted the explanation as to how this got into the newspaper.

Mr. JOHNSON.—That has nothing to do with the matter. I do not know what explanation there was; I have not seen any. No explanation can alter the fact that what I have stated was published in this newspaper, and that since that time, even if there was an apology or explanation, or anything of the kind, worse has been published, and not apologized for or explained away. No later than a few weeks ago we had in the labour organ in Queensland, sentiments expressed of a similar character, and these sentiments have not been repudiated by the Labour Party. Indeed, soon after the publication of one of the most scurrilous attacks on religion, the leader of the Labour Party sent a message of eulogy to the *Queensland Worker* for the great work it was doing in furthering the labour cause. There was no word

of condemnation or protest in that message. When the honorable member for Grey talks about my suppressing facts, I say that I have not wittingly suppressed any, and that there has been no contradiction or repudiation of equally objectionable statements made since, not only in the paper to which I first referred, but also in the *Queensland Worker*, which is the most influential labour organ in the whole of Australia.

Mr. POYNTON.—I say that there has been, and the honorable member knows it.

Mr. JOHNSON.—There may have been, but I have not seen any contradiction or repudiation. When the honorable member says that I know of any contradiction or repudiation, I can only say that I do not know of any.

Mr. POYNTON.—The honorable member does not want to see the explanation.

Mr. JOHNSON.—I take that newspaper pretty regularly, and I have seen no contradiction.

Mr. POYNTON.—The honorable member only takes what suits him.

Mr. JOHNSON.—We cannot get away from the fact that the statements I have quoted have appeared in the newspaper mentioned, not once only, which might have been accidental, but at various times. Therefore, I say that it is all the more important that we should have a declaration by the present Government of their attitude in regard to Socialism in the light of the various objectionable features associated with that policy. I now desire to deal with one or two matters referred to in His Excellency's speech. In regard to Papua, we are told—

The future of Papua has engaged earnest attention during the recess, and proposals for a new administration will be laid before you. Meanwhile the issue of the Proclamation bringing the Papua Act into force, and creating British New Guinea a territory of the Commonwealth, has been deferred until new ordinances are ready for enactment.

It will be remembered that the Papua Bill was introduced in a great hurry. It was pointed out that it was a most urgent measure, which it was necessary should be pushed on with by the late Parliament. The Bill was pushed through, and what is the result? We find that the issue of the proclamation has been delayed, and that, after all the talk about the great importance and urgency of the legislation last session, matters are not very much further advanced now than they were then, although several months have elapsed. I also desire to

draw attention to paragraph 8 of His Excellency's speech, as follows:—

For over twenty years Australia has enjoyed the assistance of a number of Imperial officers for the purpose of training those in command of our local Forces, in addition to which many of the latter have been sent to England and India for instruction. Hereafter preference in appointments will be given to Australian officers and non-commissioned officers.

That may or may not be a very wise thing to do. Whilst it is advisable to encourage Australians to become thoroughly proficient, so that they may be eligible for appointments of this kind, to simply appoint Australian officers because they are Australian would be a very sad and lamentable mistake, which might possibly hereafter involve the loss of many valuable lives. The sole considerations that should govern any such appointments should be those of efficiency, merit, and capability. If we can find Australian officers possessed of those qualities, in the same degree as are other officers who are not Australians, then by all means give preference to Australian officers; but to put the fact of an officer being born in Australia in the balance to weigh against more efficiency, greater merit, and greater value, not only to the Australian community, but to the Empire as a whole, would be a fatal mistake. I hope that the course outlined in His Excellency's speech in this regard will not be persevered in. I now come to the question of the appointment of an additional Judge, which is thus referred to in His Excellency's speech:—

The pressure of appeal business upon the High Court precludes attention to its original jurisdiction, and prevents the discharge of the additional duties cast upon the Justice who is President of the Arbitration Court. A measure to relieve the strain upon the Court and provide for the full exercise of its functions by increasing the number of its members will be laid before you.

I am not going to say that I do not believe it is advisable to appoint an additional Judge to deal with any accumulation of work in this Court; but the name of a certain member of the present Ministry has been publicly mentioned in the newspapers in connexion with the appointment, and I desire to take this opportunity to express the hope that, whatever appointments may be thought necessary in connexion with the Arbitration Court, none will involve the appointment of a political Judge. It is very undesirable, from every point of view, that any political advocate, who has had a strong bias in connexion with the

framing of legislation of this character—who has been responsible for moulding the legislation, so far at any rate as the present Act is concerned, and who must necessarily have a strong leaning to the one side or the other—should be appointed to administer the law under that Act. When the Bill was under discussion I expressed the hope—and, apparently, with the concurrence of several members of the present Ministry—that when the time came to appoint a Judge of the Arbitration Court special care would be taken that no political Judge would be selected. I know there is a tendency in certain quarters to have partisan Judges. I have seen it seriously proposed by a member of the Trades and Labour Council in Sydney—who, I think, has taken the place of Mr. Samuel Smith in connexion with the Arbitration Court work in that State—that there should be a partisan Judge selected—that is to say, a Judge in sympathy with labour. What would he say if the other side seriously advocated the appointment of a Judge with a strong bias in favour of the employer of labour? I hope we shall not start that kind of thing in Australia. It has long been our boast as Britishers—as members of the British Empire—that our courts of justice may be relied on as absolutely free from bias either to one side or the other. I hope the day is far distant when we shall initiate anything like what we have seen in America and other countries in regard to our courts of justice. I hope we shall always endeavour to secure the services of high-minded men, who will not be biased either in one direction or another, but who will occupy such a position as will enable them to give fair and honest verdicts on the evidence brought before them. These have been the principles underlying the appointment of Judges who have proved the pride and glory of the British race for many years past. I hope, therefore, that the proposal to appoint a member of the present Government to the position of Judge of this Court will not be persevered with. At any rate, if the proposal is submitted, I shall oppose it as strenuously as I can. With regard to the anti-Trust Bill, which we shall shortly be asked to consider, I do not propose to deal with it now, seeing that when it is placed before the Chamber there will be opportunity for full criticism. I only desire to make a passing reference to the fact that this is a Bill of the character of

many which have preceded it, and which aim at the destruction of the trade and commerce of the country. The measure is now introduced to us in the form of an old friend dressed in a new suit, and when it is before us there will, as I say, be opportunity to criticise all its details, and show the hurtful character of such legislation. There were other matters to which I desired to refer, but I have already spoken longer than was my intention. In conclusion, I wish to reiterate what I said at the beginning, namely, that the conditions under which the present Government hold office are of such a character as to give them no warrant whatever to push forward with any more legislation than is absolutely necessary for the purpose of bringing the session to a close, and enabling the country to give a verdict on the various measures of public importance with which the Government propose to deal. The efforts of the Government should be confined to, first of all, submitting a Redistribution of Seats Bill, so as to give more equitable representation to the electors and obtain a more correct verdict at the hands of the people. Whilst the electoral machinery is being prepared for the general election we might deal with the Federal Capital question, and bring it to finality, and perhaps deal with a Federal Quarantine measure, which is admittedly very necessary. We ought to do nothing further, except, of course, to grant Supply to cover the period between the dissolution of this Parliament and the meeting of the next. I sincerely hope the Government will not persevere with its intention to push forward measures of so contentious a character as to be likely to delay the tabling of other measures, which all sides of the House may be expected to concur in carrying to a proper and legitimate conclusion. So far as the measures I have indicated are concerned, the hearty co-operation of the members of the Opposition may be relied on to give them the effect of law as speedily as possible.

Mr. HIGGINS (Northern Melbourne) [3.40].—I think that we have on the present occasion the longest speech on our records, and that for a short session. The situation was very different last year, when we had the shortest speech, and when, as we could not amend that speech, we amended the Address-in-Reply by inserting the words, "And that the House proceed with practical business." I should like to

congratulate the Government on carrying out the spirit of that addendum to the Address-in-Reply of last session—on the fact that they have proceeded, and are proceeding, with such practical business as they can carry in the present state of the House. I must say that I think the Government are doing what is wise and proper in selecting such business as they see they can complete in the present state of parties, with the concurrence of the majority of the House. As I understand the position, the Government do not care from which party or parties in the House their support comes, so long as they can carry the measures to which I refer. That, so far as I can see, is only a proper course to pursue. They have refused, are refusing, and, I hope, will still refuse to put before the electors a futile issue on an impossible question, the question of Socialism or anti-Socialism. I take it that the members of the Government know full well that, under our Federal Constitution, no system of Socialism is possible, and that before we can alter the Federal Constitution the people of Australia have to be consulted in their numbers, and in their States, and both Houses of this Parliament must also be consulted, and consent given to the alteration by an absolute majority.

Mr. JOSEPH COOK.—If the Government know that, why are they spending money to investigate these projects?

Mr. HIGGINS.—Knowing that, why we should be asked to spend our time in Parliament and at public meetings in dealing with issues which may become live issues, perhaps, in a few centuries, is more than I can understand. As one who will not be frightened against voting for a good measure, because it may happen to be called socialistic, I shall be prepared to give the Government my cordial support, so long as they endeavour to enact legislation required by the circumstances of our time. I wish to refer to something which has happened, and which seems to me to be of very great importance in its bearing upon the constitutional relations between our Governments and the Government of the Home country. I refer to the communication made by the Prime Minister to the Secretary of State for the Colonies, with regard to the disturbance by kaffirs in Natal. It seems to me that this communication raises a question with regard to the internal relations of the Empire, and a question which, I say with all in my opinion, been raised in

consequence of a mistaken view of our constitutional position taken by the Prime Minister. I am as strong as any one can be with regard to non-interference with the self-governing Colonies in matters of their self-government. I believe, in the words of Burke, that there is nothing which conduces to the peace and prosperity of the Empire so much as "a wise and salutary neglect" of the doings of the people in their self-governing Colonies. At the same time, I submit that, notwithstanding what the Prime Minister has said, the English Government has just as much right to express its opinion as to the doings of the Natal Government towards the kaffir as the Government of Australia has to express its opinion with regard to the dealings between the Home Government and the Government of Natal.

Mr. JOHNSON.—I call attention to the state of the House. [*Quorum formed.*]

Mr. HIGGINS.—I say that the more we encourage, on all sides, the interest taken in each part of the Empire in each other part, the better for the Empire. I think it is our duty, as far as we can, to encourage, and not to discourage the practice of looking at the interests of the whole Empire. We should, in considering the interests of Australia, consider the interests of the Empire as being bound up with those of Australia. The interests of Australia are the interests of the Empire, and the interests of the Empire are the interests of Australia. What are the facts of this case? I do not propose to give any opinion on, or to prejudge the merits of the matter, but it seems that, in collecting the hut tax from the kaffirs an officer in the employment of the Government of Natal was shot. It appears that, in consequence of that, without trial, twelve men who were kaffirs were to be shot for being concerned in the riot. The important point to remember is that there was no trial. The action was taken under what was called martial law, which is no law, and what was proposed was simply an illegal shooting of twelve men.

Mr. MALONEY.—Very cruel action, too.

Mr. HIGGINS.—I am not saying a word on the merits of the matter. There are cases in which a Government has to do such things; but I say that when these facts occurred, the Imperial Government asked for information from the Natal Government, because the Zulus are no ordin-

any black tribe or nation, they are a tribe possessing great force, power, and numbers; and the whole force of the Empire might have had to be called in for the purpose of enforcing the will of the Natal Government. Nothing could be more natural, therefore, than that the Home Government should ask for information before they permitted this shooting to be carried out. I take it that here, as in London, they control the naval and military forces of the Empire; and it is only fair that before the naval and military forces should be staked, as it were, and the whole wealth and power of the Empire staked, in any matter, the Home Government is entitled to inquire what is being done, and why it is being done. As to the manner in which the inquiry was made I say nothing, except that perhaps it might have been done more discreetly—that is to say, questions might have been asked of the Natal Government privately, and secretly, and in such a way as not to have raised false hopes amongst the Zulus. What I wish to disclaim, so far as I am concerned, as a member of this Parliament, is the principle assumed by the Prime Minister in his despatch, that the Home Government have no right to interfere in such transactions with a Colonial Government.

Mr. CARPENTER.—To disclaim?

Mr. HIGGINS.—Yes. The Prime Minister puts the matter as “an intervention of His Majesty’s Ministers for the United Kingdom, with the administration of the self-governing Colony of Natal,” and he appears to think that it was done to establish, even with a regard to the prerogative of pardon, a dangerous precedent affecting all the States within the Empire. There was no prerogative or pardon involved here, because there was no verdict and no judgment. The prerogative of pardon can be exercised only when men have been found guilty after trial. These men had not been tried. They were never before the Courts, and the Home Government simply said in this case: “You are shooting twelve men, who are Zulus, without trial. Let us know what you are doing.”

Sir JOHN FORREST.—The men were tried by court martial.

Mr. HIGGINS.—A court martial, as the right honorable gentleman knows, is not a legal Court.

Sir JOHN FORREST.—Martial law had been proclaimed.

Mr. HIGGINS.—There is no such thing as martial law, which simply means martial law. It means simply that you do something which you think you have a right to do, and hope for indemnity afterwards.

Sir JOHN FORREST.—That is what was done in Natal.

Mr. HIGGINS.—I submit that the Prime Minister was wrong in assuming that there was any interference with the prerogative of pardon which I think, all in the House will admit, is a prerogative that must be administered within Australia on the advice of Australian Ministers, and within Natal on the advice of Ministers of that Colony. I find from the papers laid on the table, that the late Mr. Sedd seized the position accurately, and put the matter correctly. He said—

Quite agree with you that any interference with the constitutional rights of any self-governing Colony should be strenuously resisted.

But he also said that it was necessary to make further inquiries, because—

Where so many human lives were at stake and the trial having been by court martial, and that not at a time of war, postponement enable full information as to legality of sentences may have been all that was actually done by the Secretary of State for the Colonies.

The right honorable gentleman, whose loss we all deplore, and in connexion with which we expressed our condolences yesterday, seized accurately the true fact and also the true constitutional position. The reply made by the Secretary of State for the Colonies was to this effect—

His Majesty’s Government have at no time had the intention to interfere with the action of the responsible Government of Natal, or to control Governor in exercise of prerogative, but the Ministers would recognise that in all the circumstances then existing, and in view of the presence of British troops in the Colony, His Majesty’s Government were entitled, and were in duty bound, to obtain full and precise information as to these martial law cases.

It is clear, then, that all that His Majesty’s Government in London wished to do, they had to be responsible for war, peace, and for the army and navy, and that, before any irrevocable step was taken they should know exactly why certain things were done. I do not think that in their communication they show any want of confidence in the Colonial Government. There has been a large grant of power and liberty made to the various Colonies and States, and the Imperial Government has never of late shown the slightest indication of an intention to interfere between a colonial Government and individuals under

control, in the ordinary course of law. But I think it will be recognised that it was only reasonable in the circumstances, with British troops in the Colony expected to enforce the decrees of some martial persons for the shooting of those twelve kaffirs, that the British Government should know what they were about. Of course, this opens a much larger question; but with regard to the interference of the Home Government with Natal affairs, I wish to point out that while the Barton Government, of which the present Prime Minister was a member, was in power, there was an interference by Mr. Chamberlain, as Secretary for State for the Colonies, with the legislation and action of an Australian Parliament, to which the present Prime Minister made no objection. He must be taken as having assented to it. If we look at the papers in regard to legislation restricting coloured immigration, laid upon the table of the Senate and ordered to be printed on the 14th November, 1901, we shall see there a telegram sent by Mr. Chamberlain to the Governor of South Australia, at a time when the right honorable gentleman, whose presence here we are very glad to recognise again this afternoon, was leading that Government. That telegram had to do with some complaints of Japan as to the colour restriction, and Mr. Chamberlain wrote—

Inform Ministers that Her Majesty's Government will not be able to advise Her Majesty to assent to reserve Bill, but if legislation on line of Natal Act is passed, you may assent at once without referring home.

He enclosed the communication in a letter to the Australian Government when, in 1901, the Immigration Restriction Bill was under discussion, and said—

Secret. I have the honour to forward, for the information of your Excellency's Government, copies of two despatches which I have addressed to the Governor of Queensland, relative to the reserved Bill of the Legislature of that State, entitled "a Bill to amend the Sugar Works Guarantee Acts 1893 to 1895." I trust that your Government will join with His Majesty's Government in deprecating legislation of the character of the provision in that Bill, to which His Majesty's Government have felt bound to take exception.

That was not resented by the Barton Government, the Prime Minister of the day replying in these terms—

Minute to His Excellency, intimating that I am quite in accord with the principles and the policy laid down in the two despatches of which copies are transmitted, and that this Government does not contemplate the proposal of any legis-

lation likely to conflict with the views which the Secretary of State has expressed.

Mr. HENRY WILLIS.—What was the objection to the measure?

Mr. HIGGINS.—That it drew a colour line. If the Australian Government was willing to submit to suggestions, criticisms, and proposals as to Australian affairs from the Home Government which did not involve the question of peace or war, how much more ought the Natal Government to listen to suggestions, proposals, and criticisms with regard to matters happening in Natal which may involve the question of peace or war? We cannot draw any such line as the Prime Minister has suggested. We ought to preserve and carefully cherish, not only the right of the Home Government to communicate with us so far as our proceedings affect the Empire, in both its internal and external relations, but also the privilege which we have of sending to the Home Government, and to the King if need be, our opinions and views as to our relations to the Empire, or as to the relations of the different parts of the Empire with one another. We have no vote in Imperial affairs, but we have voices, and our constitutional right to petition the King upon any subject upon which we think fit to petition him is one which the Prime Minister ought to be the last to give up.

Mr. CARPENTER.—Our right of suggestion would not justify their right of veto.

Mr. HIGGINS.—There is a legal right of veto. The Imperial Parliament, as a rule, does not express its opinions, because it can do more. It can act, and can veto; but in place of vetoing our Bills, the Home Government intimates beforehand that there is danger that they may be vetoed. We have carried with us, in coming here from the old country, the right to express our views by petitioning the King on any matter on which we may see fit to do so; and a clause in the Bill of Rights of 1689 confirms to us the privilege, which is also the privilege of all living in Great Britain and Ireland, to petition the King, all commitments and prosecutions for such petitioning being illegal. That pronouncement arose out of the case of the seven bishops. It is the right of all subjects to petition the King directly. The Prime Minister appears to think that it is a very wrong thing to send messages to the King, but I would remind honorable members that, much as the Prime Minister deplores the interference of the Home Government in only asking for information, it was by the interfer-

Mr. Higgins.

ence of the House of Commons and the House of Lords that slavery was abolished throughout the British Dominions, against the wishes of the local Parliaments. I admit that those Parliaments were conservative and reactionary bodies, composed of slave-holders, or those interested in slavery; but they were local Parliaments nevertheless, and slavery would not have been abolished throughout the British Dominions had it not been for the interposition, about eighty years ago, of the supreme power of the Imperial Parliament. I am sure that the Prime Minister has a strong love for the unity, and a strong hope for the strength, of the Empire as a power making for civilization; but the worst enemies of the Empire, whether they know it or not, are those who say that we here in Australia should not concern ourselves with the broad interests of the Empire, and the relation of its different parts one to the other. The more we encourage the practice of grieving with the grief and rejoicing with the joy of the other parts of the Empire, the better it will be for the Empire and for ourselves. When any part is wounded, the other parts should suffer, and when any part is healthy the other parts will tend to become healthy. I have dwelt longer on this subject than I should otherwise have done, because I do not find that any notice of it was taken by the leader of the Opposition. It is, to my mind, one of the gravest matters which occurred during the recess. It stood out so prominently as affecting the future of the Empire that I am surprised that more attention was not given to it, instead of to the displaying of mere debating school oratory. There are one or two other matters to which I wish to refer in concluding my remarks. I think that the Government is unwise in not letting the House and the country more into its confidence as to the efforts which it has been making to secure immigration. I do not think that any problem is so urgent for Australia as that which is involved in the getting of suitable immigrants. I would connect with that, the problem of the Northern Territory, but I need not go into any details at present. I would merely say that there is a great deal of misapprehension throughout the country with regard to the attitude of the Government in this matter. The public seem to think that the Government are doing nothing. To-day I asked the Prime Minister what action was being taken, but he gave me a non-

committal reply. He has often declared upon the public platform that we cannot increase our population by means of immigration unless we can secure land upon which to put the immigrants. I trust sincerely that he will not throw up his hands in despair because of the difficulty which confronts him in that regard. I hope he will recognise that the people of Australia want the great potentialities of this country to be developed without the introduction of peoples who do not maintain the same standard of living as our own. I feel that the problem must be solved, and solved soon. There is no time for delay. I am quite sure that the Prime Minister has the matter at heart, and we ought to know what he proposes to do.

Mr. HENRY WILLIS.—What should he do?

Mr. HIGGINS.—I do not say what he should do. All I wish is that some information should be given to the public as to the proposals of the Government in the direction of solving the problems to which I have referred. As a member of the Convention of which you, sir, were also a member, I have been surprised that five or six years should have been allowed to elapse before anything is done with regard to the taking over of the States debts. The whole of our public men appear to be in a fog with regard to the bookkeeping sections and the Braddon section of the Constitution. The Treasurer assured me this afternoon that he would declare his policy when he delivered his Budget speech. I think that, having regard to the importance of the subject, he should take the House into his confidence, and not endeavour to solve the problem for himself, independently of the guidance and advice of others. If he submits cut and dried proposals to the House, he will be bound to adhere to them. But there never was a subject which had so many phases, nor was there ever an occasion upon which so many matters had to be taken into account; and I trust that he will afford honorable members an opportunity of discussing the whole question before he finally makes up his mind. He may see one phase of the question, and perhaps confine himself to that, and submit a consistent scheme dealing with it. But I would point out that the question presents itself in a number of different aspects. These, I hope, he will fully consider, and formulate a scheme that will fully meet

all the requirements of the case. It may mean millions of money—perhaps tens of millions of money—to the Commonwealth, if we arrive at a well-advised decision upon the subject. Greater vitality will be infused into the Commonwealth as a whole if we have plenty of money to spend in developing our resources, instead of being called upon to pay unduly large sums to bond-holders. The financial problem is one of the first that should have been dealt with by us. That is indicated by the wording of the Constitution, which provides that the Commonwealth may take over the debts of the States, but only to the extent to which they existed at the time that Federation was accomplished. And yet nothing has been done in that regard. I submit that Ministers might consider the advisableness of arranging for an open discussion—not a debating society discussion, but a discussion by honorable members, with a full appreciation of their responsibility in regard to the whole subject. The Treasurer might afterwards bring forward proposals for the solution of the difficulty.

Mr. LIDDELL (Hunter) [4.17].—I do not consider that the speech which has been placed in the mouth of His Excellency the Governor-General is worthy of the Prime Minister, of the Government, or of the Commonwealth. It looks very much like one of those monthly letters that are issued by stock jobbers, containing information as to the state of the weather, the prospects of the crops, and the condition of the share market. In the first paragraph the Government rejoice in the fact that we are enjoying a season of general prosperity, that production has increased, and that prices are high. Do the Government for a moment imagine that anything they have done has conduced to this condition of prosperity? I do not think that they have any right to place this self-congratulatory paragraph in the forefront. The only thing that the Government can claim is that prices to the unfortunate consumer are higher, because of the policy of protection they have adopted. The speech concludes by expressing the pious hope that, under the blessing of Providence, our faithful labours will promote the growth and prosperity of Australia. Unfortunately, however, the general opinion outside appears to be that if this Parliament could only be adjourned for ten years, and the country could be allowed to go on under a settled system of government, something approaching real

prosperity might be expected. It is a curious fact that no sooner had the House prorogued than an exodus of Ministers took place. The Postmaster-General went to Rome, and the Treasurer to London. The House had no information as to why it was necessary for them to proceed to the other side of the world. One of the consequences of the absence of Ministers from their posts has been that the administrative work of the country has not been carried on in an efficient manner. All matters connected with the administration of the Post and Telegraph Department have to pass through the hands of the Vice-President of the Executive Council, who, although he is fully capable of filling the highest position in the Ministry, should never have been asked, in the absence of his colleague, to accept responsibility in these matters. For instance, in regard to the telephone toll system, which was sprung upon the mercantile community, the Acting Postmaster-General could not make any definite pronouncement, but had to leave the matter in abeyance until the return of the errant Minister, who should have retained control of the Department. This seems to me to be an unsatisfactory state of affairs. I should like to know whether the Acting Postmaster-General intends to call upon the large mercantile houses to pay as large a sum as formerly for their telephones, and at the same time to permit them to make only two calls per day. Unless the present proposals are modified, general dissatisfaction must be caused. Then again, in relation to our defences, we have at the head of the Department a gentleman who admittedly is not very fully acquainted with defence matters. Unfortunately, we have not had the advantage of an administrator who himself was a soldier, as we had in the case of the previous Government. But we have a gentleman who has admitted in public that in defence matters he is a sort of amateur, and the very man upon whom he should rely for instruction and advice was sent away to London at a critical moment, ostensibly for the purpose of arranging for a supply of warlike stores. I believe that the proper officer to send there in such circumstances was an officer of artillery who knows something of ordnance. The Secretary for Defence, estimable officer though he may be, was taken from the Naval Department, and consequently is not supposed to know very much about ord-

nance. Yet, without any intimation having been given previously to the House, he was sent away to London to take charge of this important business. With what result? The Minister of Defence says that he is in favour of training our Citizen Forces to use a rifle, and to become first-rate shots. But during the recess of six months my experience has been that it was almost impossible to get anything done in relation to rifle ranges, notwithstanding the Minister's public statement that he believes that the power of accurate shooting is the one virtue which a soldier should possess. Month after month has been allowed to go by, and under the administration of this Government it has been impossible to get anything done in relation to rifle ranges. The speech has certain faults of omission as well as faults of commission. One fault of commission which strikes me on looking over its contents is the fact that the country has been put to enormous expense by the appointment of no less than three Royal Commissions. In the first place we had a Royal Commission relating to old-age pensions, and the alleged tobacco monopoly. It is well known that nothing can be done in relation to the tobacco monopoly without an alteration of the Constitution. I contend that the country has been put to enormous expense without any good result whatever. In the next place we had a Royal Commission relating to navigation and shipping. Then we have had a Royal Commission relating to the Tariff, and I suppose we shall have a Royal Commission relating to sugar. What I want to know is why the country has been put to this expense. So far as I can see it has been due to the fact that we are governed to-day by a ragged remnant of a party which is dominated entirely by the Labour Party, and compelled to carry out such measures as these simply at the command of its leader.

Mr. BATCHELOR.—Does the honorable member know who appointed the Tariff Commission?

Mr. LIDDELL.—Yes; and the honorable member knows as well as I do that the demand for the appointment of that Royal Commission came from his quarter of the House.

Mr. BATCHELOR.—Did they dominate the Reid Ministry?

Mr. LIDDELL.—I give the members of the Labour Party credit for sufficient

cleverness to get the Royal Commission appointed. Furthermore, I complain of the indefinite statements contained in the speech. Take for example paragraph 26. in which information of this sort is given to the House and the public—

Field guns of the latest type have been obtained—

It does not say how many or what sort of field guns have been obtained—

and a large number of new rifles ordered. . . . The strength of the Citizen Forces has been well maintained.

What sort of information is that to place before the public? The speech does not contain a great many matters which it might reasonably be expected to contain. I should like, for example, to get some information about our relationship to-day with Japan. Here we have been entertaining the sailors of the Japanese fleet, feasting them, and inviting them to our homes, when at the same time the Japanese are prohibited immigrants. I believe that the Prime Minister has received from Downing-street some information in relation to the admission of these people as immigrants to Australia, and that he has not taken the House into his confidence on the subject. It is only right that we should know the relationship which we now hold with regard to the Japanese.

Mr. WEBSTER.—Does the honorable member refer to the sailors?

Mr. LIDDELL.—I mean the immigrants who may come to Australia from Japan. I am satisfied that there is a movement afoot to admit Japanese to this country very much more freely than any of us would like to see. I believe that we shall be forced to do so by instructions from the old country, which, if we only knew their nature, we should resist.

Mr. WEBSTER.—Is the honorable member against the admission of Japanese?

Mr. LIDDELL.—I am against the admission of coloured races to Australia. Then, as regards the present session, the Electoral Bill is the first measure which should have been brought forward. I cannot understand how, if all the electorates have to be altered, we can possibly have the rolls completed in time to carry out a general election in or by December in a satisfactory manner. I think that everything should have been ready long ago. During the recess action should have been taken to prepare for the writing up of the rolls. I am satisfied now that by the time

the Electoral Bill has gone through the House this session, if it should, there will not be time to get the rolls properly prepared. Instead of the Electoral Bill being brought forward, what do we find? The Australian Industries Preservation Bill is placed in the forefront, simply to placate, I suppose, the Minister of Trade and Customs.

Mr. WILKS. — The honorable member means that he has got his own way, in spite of the Prime Minister.

Mr. LIDDELL.—The Minister of Trade and Customs will always get his own way with this Ministry. Another important Bill which I think should be brought forward very early, but which is placed lower down on the programme of the Government, is the Federal Capital Site Bill. Here we are simply lodgers in Victoria.

Mr. BATCHELOR.—These are very comfortable lodgings.

Mr. LIDDELL.—Yes, but we have already been asked to pay rent for the lodging of the Governor-General, and before very long we may be asked to pay rent for this House. Why was not the ventilation of this chamber properly attended to during the recess? In every sense of the word it is truly a lethal chamber. During the recess of six months the place might have been attended to, and put in a proper habitable state. In this atmosphere it is impossible to exist for more than two hours at a time. Yet nothing has been done—why? Simply because we have to go to the State Government and get their permission before we can place ourselves in comfortable circumstances. What stronger argument than that can honorable members need for the establishment of a Federal Capital, where we could have our own premises and carry out our own ideas as we pleased? There is one Bill for which I have been waiting for some time, and which I see no prospect of being brought forward by this Ministry, and that is a Quarantine Bill. Here we are, living on an island continent in such a position that, with a proper quarantine law, we could very easily prevent the introduction of disease. But as we are at present, there is every risk that leprosy, small-pox, cholera, and other similar contagious diseases may be introduced at any moment.

Mr. WEBSTER.—Would the honorable member quarantine microbes for the eradication of rabbits?

Mr. LIDDELL.—The matter mentioned by the honorable member for Gwydir affords a very good reason why we should have a Federal system of quarantine, because although fortunately there is a law in New South Wales which prevents the dissemination broadcast of the rabbit exterminating microbes to which allusion has been made, there is, I understand, no such law in Victoria. I believe that if those microbes had been brought to Victoria no action could have been taken to prevent their being spread abroad. In America there is a very efficient quarantine system. Officers are there appointed to examine immigrants. Hospitals have been established to attend to sailors in the mercantile marine who may be sick. There is also a system by which immigrants are examined in foreign ports, that is to say, before they leave their own shores; in addition to a system of insular quarantine in connexion with the various island dependencies of the United States. If we had a similar system in Australia it would, I think, be to our advantage. More than that, I do not wish to say; but I hope that some useful legislation will be passed during the present session.

Question resolved in the affirmative.

COMMITTEE OF SUPPLY.

Mr. DEAKIN (Ballarat—Minister of External Affairs) [4.38].—I desire to move, under standing order 240—

That the House will on Tuesday next resolve itself into a Committee to consider the Supply to be granted to His Majesty.

Question resolved in the affirmative.

COMMITTEE OF WAYS AND MEANS.

Motion (by Mr. DEAKIN) proposed—

That the House will on Tuesday next resolve itself into a Committee to consider the Ways and Means for raising the Supply to be granted to His Majesty.

Mr. JOSEPH COOK.—Shall I be in order in addressing myself to this motion?

Mr. SPEAKER.—No; it is a motion of a formal character for the purpose of putting the Committees of Supply and Ways and Means on to the notice-paper.

Question resolved in the affirmative.

ELECTORAL DIVISIONS: WESTERN AUSTRALIA.

Mr. GROOM (Darling Downs—Minister of Home Affairs) [4.40].—I move—

That the House of Representatives approves of the distribution of the State of Western Australia into electoral divisions, as proposed by Mr. M. A. C. Fraser, the Commissioner for the purpose of distributing the said State into divisions, in his report laid before Parliament on the 7th day of June, 1906.

As honorable members are aware, during last session, a Representation Act was passed which laid down the principles which were to govern the electoral representation of the various States. Immediately that measure became law, action was taken to obtain the latest statistics of the Commonwealth, with a view to enabling the proper officer to determine what representation in this House each State was entitled to. In the case of Western Australia, its representation was left unaltered, so far as its number of representatives was concerned.

Mr. MAHON.—That had to be so in accordance with the Constitution.

Mr. GROOM.—But, as it was desirable to secure an adjustment of the representation of the States throughout Australia upon a proper basis, a proclamation was issued in connexion with Western Australia, ordering a redistribution of seats. That step was taken because it was found that in one of the divisions there, the number of electors did not accord with the limit allowed by the Act. The Commissioner, in accordance with the Act, issued his proposed plan of redistribution. This was exhibited at the various post-offices throughout Western Australia. Objections to it were invited to be lodged within thirty days, according to law. No objections, however, were received, and the Commissioner consequently forwarded his report of the various divisions as he had constituted them. I repeat that the maps were posted throughout the length and breadth of the State, and no objections were taken to them.

Sir JOHN FORREST.—That does not mean that there were no objections.

Mr. GROOM.—Individuals may not have agreed with the redistribution proposed, but no objections were taken to it, and therefore I ask the House to affirm the adoption of the Commissioner's report. The final result of the re-adjustment of boundaries in Western Australia is that in the division of Perth there are 24,523 elec-

tors, which is 1,283 above the quota. Of course the Commissioner had the right to vary the number of electors in any division to the extent of one-fifth above or one-fifth below the quota.

Sir JOHN FORREST.—But he has not taken advantage of that provision in the Electoral Act.

Mr. GROOM.—Oh, yes. In the electorate of Perth he has allowed a margin of 1,283 above the quota. In the division of Fremantle he has grouped 22,924 electors, or 316 below the quota. In Swan, there are 23,955 electors, or 715 above the quota, and in Coolgardie, 22,624 electors, or 616 below the quota. In the electorate of Kalgoorlie he has grouped 22,173 electors, which is 1,067 below the quota. The total number of electors in Western Australia is 116,199. These figures show exactly the way in which the redistribution of seats in that State stands, so far as the number of electors are concerned.

Sir JOHN FORREST.—Has the Commissioner said nothing about the community of interests on the part of electors in his report?

Mr. GROOM.—Yes, he has endeavoured to observe each of the points laid down by the Act, including that of community of interests.

Sir JOHN FORREST.—How does he reconcile the interests of the squatters of the North-west with those of the miners?

Mr. GROOM.—In the first place, the Act definitely lays down that a quota shall be arrived at for the whole State. To determine that quota, the number of electors throughout the State has to be divided by the number of its representatives. In his distribution of the electors, the Commissioner is allowed a margin of one-fifth above or one-fifth below that quota.

Sir JOHN FORREST.—He has taken no advantage of that provision in the Act.

Mr. GROOM.—He has.

Sir JOHN FORREST.—Very little.

Mr. GROOM.—The Commissioner reports that in his opinion he has fairly met the circumstances of the case. Under the Act, the points which he is called upon to consider are—

- (a) Community of interests.
- (b) Means of communication.
- (c) Physical features.
- (d) Existing boundaries of divisions.
- (e) Boundaries of State electorates.

In his report he shows how he has endeavoured to comply with those conditions.

Sir JOHN FORREST.—Has his report been printed?

Mr. GROOM.—It is in the hands of the Government Printer at the present time.

Sir JOHN FORREST.—Copies of it have not been distributed?

Mr. GROOM.—No. The maps, however, are exposed to view in the vestibule of this chamber.

Sir JOHN FORREST.—I have seen the maps, but not the reasons advanced by the Commissioner in support of his action.

Mr. GROOM.—His reasons are contained in his report. The Commissioner sets out that he has been guided by the principle laid down by the Act, with reference to the numbers of electors. At the same time, he has endeavoured to comply with the other points to which I have referred, including that of community of interests.

Sir JOHN FORREST.—Does he know anything about the interests of the interior of Western Australia at all?

Mr. GROOM.—He knows a good deal about them.

Sir JOHN FORREST.—Why was not the Surveyor-General of that State appointed to undertake this work?

Mr. GROOM.—The gentleman who was appointed was thoroughly competent, and upon the whole I think that he has made a fair distribution of the State.

Sir JOHN FORREST (Treasurer—Swan) [4.50].—I do not intend to oppose this motion, but I should not like it to go forth that I approve of it. I have had some experience in work of this kind, since at different times during a period extending over about twenty years I divided the State of which I am a representative into electorates. In order to carry out such a duty satisfactorily, one needs to have an intimate knowledge of the country with which one is dealing, as well as an intimate acquaintance with the avocations of the people and the interests of all sections of the community.

Mr. LEE.—Does not Mr. Fraser possess that knowledge?

Sir JOHN FORREST.—Mr. Fraser is a friend of mine; he is a thoroughly reliable and upright man—but, in my opinion, he lacks the personal knowledge of Western Australia possessed by the original Commissioner. I may say, by the way, that I did not wholly agree with the distribution made by that gentleman, but that is a mere detail. The Surveyor-

General of Western Australia has an intimate knowledge of the State. No one has more fully traversed it than he has done, and no one is better qualified to deal with such a question as this. For some reason, however, he was not called upon to make the redistribution, or, if he was, he refused. I regret that his services were not available. It is hardly necessary for me to say that I have not communicated with him, either directly or indirectly, on the subject, nor have I had any communication with Mr. Fraser, except that I wrote to him last year protesting against his redistribution. The effect of the new scheme is that the quota is very closely adhered to. This Parliament, when passing the Electoral Bill, provided for a margin of one-fifth either below or above the quota, but in the scheme before us advantage has not been taken of that provision to any material extent. As a matter of fact, the existing divisions are almost in accord with the law. Speaking from memory, I believe that only a slight alteration is necessary to secure absolute compliance with the Act.

Mr. MAHON.—Is there community of interest in the existing divisions?

Sir JOHN FORREST.—We endeavoured, as far as possible, to secure community of interest.

Mr. MAHON.—What about the squatters in the Kimberley district, in the North-West?

Sir JOHN FORREST.—When the original distribution was made there were not many there, and it was impossible to foretell the possibilities of the country. Although squatting pursuits are largely followed in the Kimberley district, the number of electors there is small, and it was for that reason that they were originally included in the electorate of Coolgardie. As the mining district of Pilbarra intervened, we could not add Kimberley to the Swan unless we were prepared to divide that constituency into two electoral districts—North Swan and South Swan. The Kimberley district was so sparsely settled that it was not worth while making two divisions of the Swan, otherwise my inclination would have been to include Kimberley within its boundaries, seeing that, with the exception of a few miners, there was community of interest between the people of the two districts. As a matter of fact, there is community of interest in the exist-

ing divisions. We have the mining electorates of Kalgoorlie and Coolgardie, and we have the rural district running from Albany in the south to Roebourne on the north-west coast, which includes timbercutters, and, indeed, all engaged in rural pursuits from one end of the country to the other. In the scheme of redistribution, this rural district, which I have the honour to represent, has been cut off above the Irwin, 200 miles north of Perth, and the whole of the northern part of it, including the town of Geraldton and the squatting districts of Sharks Bay, Gascoyne, Ashburton, and Roebourne have been added to the electorate of Coolgardie.

Mr. MAHON.—What is the population of those districts?

Sir JOHN FORREST. — Including Geraldton, they have between 3,000 and 4,000 electors.

Mr. MAHON.—Geraldton and Greenough alone account for 2,000 out of the 4,000.

Sir JOHN FORREST.—Quite so; but these districts have been taken from a pastoral and agricultural electorate, and added to the mining electorate of Coolgardie. If the honorable member thinks that the addition will help him, well and good, but I think he will find that it may not.

Mr. PAGE.—He ought to allow the right honorable member to keep the electors in question.

Sir JOHN FORREST.—They would be useful to me, but I do not think they will be of any great assistance to the honorable member. That, however, is merely by the way.

Mr. MAHON.—I should like to have them, whatever the result.

Sir JOHN FORREST.—I do not think it is wise to attach these districts to a mining electorate.

Mr. HENRY WILLIS.—What is the right honorable member receiving in exchange for what he is losing by the alteration?

Sir JOHN FORREST.—The number of electors in the Swan has been reduced. The Commissioner seems to have been imbued with a desire to secure equal electorates, irrespective of whether community of interest was secured or not. The Murray district, which used to form part of the electorate of Fremantle, has been added to the Swan. That is a wise alteration, because it seems to me that, although the people of the Murray may be in sympathy with Fremantle, greater community of

interest is secured by including them in the Swan, since they are for the most part orchardists and others engaged in the cultivation of the soil. With a slight alteration, designed to bring the numbers within the quota, the existing divisions might well have remained, for it is unwise to tinker with electorates, unless there is sound reason for doing so. I speak, of course, subject to correction, but I believe that with one exception the present Federal electorates in Western Australia need only to be slightly altered to comply with the law. As I have said, an improvement has been effected by including the Murray district within the Swan electorate, since it is a rural community, but it would be idle for any one who has a knowledge of the country to say that community of interest, in the sense intended by the Act, exists between the squatters and pastoralists from Geraldton north to Roebourne and the people on the gold-fields. Although we are one people, working with the same object, I think that "community of interest" means something more than that: it means the bringing together within an electorate of people carrying on the same kind of work for the benefit of the community. If that be the meaning of the term, then the pastoralists of the north have no community of interest with the miners of Coolgardie, hundreds of miles away. I trust that nothing I have said will give rise to the inference that I have aught but the greatest respect for the integrity and uprightness of the Commissioner. He was aware of the objections I have raised, as I objected on the same ground last year, and they are on the records of the House. At the same time, I think he has made an error of judgment in adhering too closely to the quota, and in not taking advantage, as he might have done, and as he had a perfect right to do, of the marginal allowance of 20 per cent.

Mr. MAHON (Coolgardie) [5].—I think that, taking it altogether, the subdivision of the electorates of Western Australia has been carried out very equitably. The Treasurer has stated that the Commissioner could have allowed, with one exception, the electorates to remain as they were. With that statement I am not in accord. Although the Commissioner is given a margin of one-fifth on either side, I conceive the spirit of the Act to be that he shall adhere as nearly as possible to an equal number of electors in each electorate.

Sir JOHN FORREST.—Surely the margin is allowed for some purpose.

Mr. MAHON.—But only where it is impossible to have equal electorates.

Sir JOHN FORREST. — That could never be possible.

Mr. MAHON.—It could never be tolerated, and I do not think it was the intention of this House of Parliament, that one electorate should contain 25,000 and another 20,000 electors permanently. The idea of honorable members was that each electorate should as nearly as possible contain an equal number of electors.

Sir JOHN FORREST.—Then why have a margin at all?

Mr. MAHON.—The object of the margin is well understood; it was to meet some special difficulty.

Sir JOHN FORREST. — Some honorable members desired more margin.

Mr. MAHON.—Very likely, and perhaps in some cases an additional margin might be advantageous. Had an additional margin been given, I believe that the Treasurer would not now be complaining about the slice of territory taken off his electorate.

Sir JOHN FORREST.—That really does not influence me; I am not interested personally.

Mr. MAHON.—I agree that the Treasurer is not either benefited or injured by the deprivation. I think that the number of squatters and farmers' votes he would get in any contested election would be counterbalanced by the industrial vote at Geraldton and other centres in the electorate.

Mr. KELLY.—Would they not all vote for the Treasurer?

Mr. MAHON.—That would depend on which side of the House the right honorable gentleman was. If the Treasurer was, as I hope we shall see him, working cordially with the Labour Party, it is possible he would get all these votes. If, however, the Treasurer were acting with the leader of the honorable member who interjects, he might not receive such support. I should like to refer to another objection made by the Treasurer. The right honorable gentleman now says that there is no community of interest between the squatters of the North-west or Kimberley division and the miners of the Coolgardie gold-fields. I may point out that the Commissioner has only done what the Treasurer did when he, as Premier of Western Australia, divided that State into electorates.

The right honorable gentleman, as State Premier, cut up Western Australia into five electorates, and he placed the squatters of the Kimberley division, who were separated by a distance of from 1,100 to 1,500 miles, in the same electorate with the miners of Coolgardie.

Sir JOHN FORREST.—I explained the reason for that.

Mr. MAHON.—Well, the right honorable gentleman has not satisfactorily explained. The mere fact that they are only a handful of men——

Sir JOHN FORREST. — Pilbarra came in between.

Mr. MAHON.—As the right honorable gentleman knows, there are a good many squatters, as well as miners, in the Pilbarra division, so that I do not think that that argument altogether applies or covers the ground. In my opinion, there is in the Coolgardie division as much community of interest between the voters taken from the Swan electorate and the miners who are the bulk of the population, as there was between the squatters and the miners in the division as originally fashioned by the right honorable gentleman himself. That is my point, and I do not wish to emphasize it further. It would have been an advantage to honorable members generally had longer notice been given that these distributions would be moved to-day, for nobody expected the debate on the Address-in-Reply to close so abruptly. We have before us no Commissioner's report, nor have we the maps.

Mr. GROOM.—The maps are in the vestibule.

Mr. MAHON.—I think the maps ought to be on the walls of the chamber, so that honorable members might see for themselves what has been done; at any rate, that would be a great convenience. In regard to the other electorates, I believe that all the alterations are advantageous. I am not familiar with the alterations in detail, but I understand that the Treasurer himself, who knows Western Australia from Wyndham around to Eucla, is satisfied with the division. I should like to pay a compliment to the gentleman who has divided the electorates. He has, in my opinion, paid regard to the spirit, as well as to the letter, of the Act, and, in adhering so closely to the quota, he has carried out to the best of his ability the wishes of this Parliament.

Mr. KELLY (Wentworth) [5.5]—I hope the Minister will not accept the suggestion of the honorable member for Coolgardie to postpone the consideration of the proposed redistribution of seats because the plans have not been distributed in the chamber.

Mr. MAHON.—I did not suggest a postponement.

Mr. KELLY.—I understood the honorable member to do so; but if he did not, I have nothing further to say on that point. In common with other honorable members, I regret that the Minister did not have time during recess to prepare the plans for presentation to the House when he placed the schemes before honorable members.

Mr. GROOM.—As soon as the House met, a motion was submitted to have them printed; that could not be done before.

Mr. KELLY.—But while regretting that the papers are not to hand, I do not think that that fact should in any way delay our arriving at a vote on this important question. I hope that the Treasurer will not press his objections to this redistribution scheme. No doubt, the right honorable gentleman's complaints and objections have been heard in Cabinet, and have had due regard paid to them; and, now that the Government take the course of presenting this scheme to the House, in spite of the Treasurer, I think we can safely take it that there is not much the matter with it. I hope that the House will come to a vote at once on the question before us, and proceed to deal with the whole of the redistribution schemes.

Mr. CARPENTER (Fremantle) [5.8].—It is highly complimentary to the Commissioner for Western Australia that his plans should meet with such general approval. I say that much, notwithstanding the remarks of the Treasurer, whose objections to the scheme appear somewhat weak, and whose attitude is somewhat that of "yes-no," disapproving, as he does, of some parts, but accepting the scheme as a whole. The right honorable gentleman has lost sight of one very important fact. Since the last division of Western Australia into Federal electorates, the State electorates have been rearranged; and, the old boundaries having disappeared, it is essential, in order to avoid endless confusion, that the boundaries of the State electorates shall be made as nearly as possible coterminous with those of the Federal electorates. If that is not done—if the scheme before us,

or some similar scheme, is not adopted—we shall, at the time of the next election, have the electors almost despairing of ascertaining in which electorates they have to vote. The old boundaries having been altered, a new grouping became necessary; and, taking everything into consideration, the grouping here proposed does Mr. Fraser great credit. The right honorable member for Swan, as he has said, has had added to his electorate the Murray State electorate, which was certainly out of place when attached to the Fremantle division. It comprised an area of agricultural and horticultural country, and is more properly placed with the agricultural division which the right honorable gentleman represents. I remind him also, that he has had added to his electorate another State electorate which bears his own illustrious name.

Sir JOHN FORREST.—That was in my electorate before.

Mr. CARPENTER.—No; the Forrest electorate is a newly-created electorate, taking in the timber country. It is made up of a piece of one electorate and a piece of another, and the bulk of it was originally in the Murray electorate, and was taken from that electorate when the last redistribution was made. I congratulate the right honorable member for Swan upon the addition to his district of a State electorate bearing his own name. In a previous division proposed, it was sought to equalize the numbers by adding the State electorate of Subiaco to the Fremantle division. That was very strongly opposed by the right honorable member for Swan, and also the honorable member for Perth, Mr. Fowler. There was something in the contention that an electorate which was a suburb of Perth, and within three miles of that city, should not be attached to the Fremantle division. I may point out that the same objection applies now to the State electorate of South Perth, which is still nearer to the city, and yet is included in the Fremantle electorate. There is, however, a certain amount of poetic justice in the arrangement by which the Guildford electorate is included in the Fremantle division. Owing to the removal of the railway workshops, a large number of workmen who previously resided in the Fremantle division had to make their homes in the vicinity of Guildford and Midland Junction, and they have now been retransferred to the Fremantle division.

They will, I hope and believe, appreciate the change. On the whole, I think that the proposed division shows the wisdom of intrusting the work to an independent officer instead of leaving it to members of this House to wrangle over. From past experience we know how very difficult it is for honorable members to come to any decision as to what is a fair and equitable division. I can only express the hope that the apparent unanimity of opinion in favour of this proposal will be found to apply also to the proposals submitted for the division of the other States.

Mr. JOSEPH COOK (Parramatta) [5.15].—It is not my intention to make any objection to these redistribution schemes. As a matter of fact, I wish to see them put through as early as possible, so that the officers of the Electoral Department may get to work with a knowledge that their administration is based upon legislation which has actually been passed, and may not, as now, be working tentatively, and with a view to legislation which has yet to be passed by Parliament. I am one of those who believe that if these proposals were put through to-morrow the time left is all too short for the Department to complete their machine, and prevent the possibility of a hitch when the general election takes place. I am not quite sure that the officials are not taking far too sanguine a view in assuming that they will be ready for the elections. My experience of elections is that there is always something occurring to require fresh arrangements. It would appear to be one of those matters in connexion with which there is no finality.

Mr. GROOM.—We are taking all possible steps in anticipation.

Mr. JOSEPH COOK.—I am aware that the officers of the Department are taking all steps considered necessary, but I shall be very much surprised if, when the elections take place, it is not found that there are some things which have been neglected or overlooked. The Electoral Department is one which would appear to lend itself peculiarly to that kind of thing, and that is one of the reasons why I think we should put these resolutions through as speedily as possible. I should like to know from the Minister why it is that the scheme proposed for the division of Western Australia is taken first.

Mr. GROOM.—We are taking first the States in which the most remote districts

with which the Department has to deal are situated.

Mr. JOSEPH COOK.—Do I understand that the Minister proposes to deal with the whole of these schemes at once?

Mr. GROOM.—If possible; as soon as we can get them through.

Mr. JOSEPH COOK.—I have no objection to that, and I shall not offer the slightest objection to this motion.

Question resolved in the affirmative.

ELECTORAL DIVISIONS: QUEENSLAND.

Mr. GROOM (Darling Downs—Minister of Home Affairs) [5.19].—I move—

That the House of Representatives approves of the distribution of the State of Queensland into electoral divisions, as proposed by Mr. R. H. Lawson, the Commissioner for the purpose of distributing the said State into divisions, in his report laid before Parliament on the 7th day of June, 1906.

If honorable members will look at the map of the Queensland divisions—

Mr. MAHON.—How is it that we have a map of the Queensland divisions when a map of the Western Australian divisions could not be supplied?

Mr. GROOM.—I asked that both maps should be brought into the Chamber at the same time. Mr. R. H. Lawson was the Commissioner appointed to divide Queensland into electorates in accordance with the Act. After his division was completed the maps were duly exhibited, and certain objections were made to the distribution as proposed by him. Those objections were considered by Mr. Lawson, and they are referred to in his report, while he adheres to the scheme he originally proposed. He states in his report that he has followed the provisions of the Act, and has had due regard to community of interests or diversity of interests, means of communication, physical features, existing boundaries, and boundaries of State electorates. He then sets out the problem he had to face, so far as the division of Queensland was concerned. He states that the number of electors in Queensland is 234,172. He points out the anomalies which were presented by the fact that in some constituencies the number of electors was far in excess of that in others, and that, in some instances, the number of electors far exceeded the limit allowed of one-fifth above the quota, and in other instances, was far below the limit of one-fifth below the quota. There are nine

Divisions existing by law at the present time. In the Brisbane Division there are 34,009 electors. In Capricornia there are 20,669 electors. Darling Downs, 25,927; Herbert, 26,119; Kennedy, 20,359; Maranoa, 18,186; Moreton, 28,216; Oxley, 31,694; and Wide Bay, 28,993. The quota is 26,019, and in the existing division of Brisbane is exceeded by 7,990, the one-fifth limit being exceeded by 2,786. In Capricornia there are 5,350 below the quota and 146 below the limit, while in Kennedy there are 456 below the limit, and in Maranoa 2,629. In two electorates the population is above the margin allowed by law—in Brisbane by 2,786, and in Oxley by 471. The chief difficulty which the Commissioner had to face was that, surrounding the metropolis, is a very large population, while in certain outlying districts the population is so small as to be below the quota. In providing for a redistribution he had to keep in mind the community of interest, and to take some of the population from the electorates in centres like Brisbane, revising the divisions so as to bring them into compliance with the provisions of the Act. He accordingly proposed the scheme which has been placed before honorable members. Under it Brisbane will contain 28,992 electors, which is 2,973 above the quota, and 2,231 within the margin; Oxley will contain 28,867, or 2,848 above the quota; Moreton will contain 28,053, or 2,034 above the quota; Darling Downs will contain 27,326, or 1,307 above the quota; Wide Bay will contain 25,695, or 324 below the quota; Capricornia will contain 23,971, or 2,048 below the quota; Herbert will contain 26,119, or 100 above the quota; Kennedy will contain 22,111, or 3,908 below the quota, and Maranoa 23,038, or 2,981 below the quota; but the Commissioner points out that large mining development is likely to take place there, and that new railways are being constructed, so that there will be a considerable influx of population within the near future.

Sir JOHN FORREST.—What is the difference between the populations of the most populous and the least populous divisions?

Mr. GROOM.—Brisbane will contain 28,992 and Kennedy 22,111 electors.

Sir JOHN FORREST.—The Commissioner has used his margin a good deal.

Mr. GROOM.—Yes, and he gives his reasons for doing so. He has left a

fairly large quota in excess in the large centres where the population is fairly settled, and has allowed for the increase of population in country districts where land settlement and mining development is taking place, so as to avoid having to make a new distribution at an early date. One of the difficulties which the Commissioner had to face is the vastness of the divisions. For instance, Maranoa will contain 286,443 square miles.

Mr. PAGE.—It is very nearly as large as New South Wales.

Mr. GROOM.—On the other hand, the smallest electorate — Brisbane — contains only fourteen square miles. The surrounding boundaries of the largest electorate measure 2,840 miles, and of the smallest electorate twenty-three miles.

Sir JOHN FORREST.—The Commissioner had the boundaries of the State electorates to guide him.

Mr. GROOM.—Yes, and of the Commonwealth electorates. But, although he has had a difficult task, I think that, on the whole, he has accomplished it successfully. Faults may be found with his distribution on one or two points, and regret may be felt that some of the historical boundaries will have to go; but, having regard to the exigencies of the law, I think it must be admitted that the work has been done well. With regard to the naming of the electorates, it was formerly done by the Commissioners; but, as the law now stands, the names are declared by the proclamations bringing the distributions into force, though the Commissioners were invited to make suggestions. Honorable members may desire to express an opinion in regard to the naming of one or two new divisions which have been created.

Mr. WILKINSON.—Where are the reports?

Mr. GROOM.—Unfortunately, they are not yet in circulation. I shall read, for the information of honorable members, the whole of the remarks of the Commissioner dealing with the naming of the divisions. He says—

Although the naming of the divisions does not come within the scope of the Commissioner's functions, I venture to remark that the names of the existing divisions would generally be suitable and appropriate to the proposed relative divisions, with the exception of Oxley and perhaps Maranoa.

Mr. McDONALD.—There is a State electorate as well as a Commonwealth electorate

named Kennedy, and much confusion results.

Mr. GROOM.—That is a matter for consideration. The Commissioner continues—

Oxley was never a particularly suitable designation for the division so named; the name has an entirely local significance, and applies to a locality which will not come within the boundaries of the proposed division B, so that it will be even less appropriate than before. "Wickham" would, I think, be a suitable designation; Captain Wickham was at one time the Government Resident at Brisbane; Wickham-terrace and Wickham-street are named after him; the adoption of this name for the division would be unattended by any confusion of localities. "Stanley" would also be a suitable name; it was the name in olden times of the electorate surrounding Brisbane, and the whole area of the proposed division B is situated in the county of Stanley. There is, however, a State electorate in the Moreton division named "Stanley," but I do not think any confusion would arise, as the name is not generally applied to the locality covered by the electorate.

Maranoa covers so great an extent of country, that any existing name would be more or less indescriptive. "South Western" or "Western" division would be descriptive, so far as relates to Queensland, but not to the rest of Australia. "Maranoa" is not altogether appropriate or descriptive, inasmuch as the name is locally applied to the comparatively restricted area of the geographical district watered by the Maranoa river, and also to the State electorate surrounding Roma, both of which are within the boundaries of the division. The adoption of another name, however, might be attended by confusion, so that on the whole, "Maranoa" might be retained for the proposed division "J," which embraces nearly the whole of the existing Maranoa division.

The honorable member for Moreton has referred to the fact that the reports have not been circulated, and I think it is only fair to him to state that, as regards the objections that were taken to the inclusion of a portion of the Moreton electorate in the Darling Downs division, the Commissioner is still of the opinion that the Lockyer State electorate should be included in the Darling Downs division. The name "Darling Downs" has had an historical significance, but, unfortunately, the Downs have been cut in twain, and the Commissioner regards it as necessary to include the Lockyer State electorate in the Darling Downs division, and to attach a portion of the Downs to the Maranoa division.

Mr. PAGE (Maranoa)—[5.35].—I wish to compliment the Commissioner upon the manner in which he has performed his work. I think that he has made a very admirable distribution. I can speak with some authority with regard to the Maranoa

division, because, at one time or another, I have been over the whole of it. The Commissioner has paid regard to community of interest, and to geographical and State boundaries, and in such a manner that I confess I could not have performed the work any better. Honorable members will see that a large tract of country has been taken away from Maranoa and included in the Kennedy division, but the population in this area is so sparse that Winton is really the only centre in it, and only a few hundred votes are affected. I had hoped that Queensland would have so far recovered from the effects of the late drought that, like New South Wales, it would have been entitled to an additional member. I hope that the time is not far distant when we shall be able to claim additional representation. The Commissioner has very appropriately remarked, that the name "Maranoa" is not truly descriptive of the division which bears it, and I would suggest another name. In view of the fact that Maranoa embraces the whole of the artesian area in Queensland, I think that Artesia would prove an appropriate and acceptable name. "Maranoa" is a good name, and I am loath to part with it, but there is a State electorate, bounded on the western side by the Maranoa River, and having Roma as a centre, which also bears that designation, and hence confusion arises. I intend to move that the name of sub-division J on the map be altered from Maranoa to Artesia.

Mr. McDONALD (Kennedy)—[5.39].—I should like to know whether the Government would agree to substitute the name "Browne" for "Kennedy." There is a State electorate named Kennedy, and a certain amount of confusion arises in consequence. I think that it would be wise to adopt names quite distinct from those used to designate State electorates. The Kennedy electorate takes in the principal gold-fields in the northern portion of Queensland. The late Hon. W. Browne who, in Queensland was Minister for Mines for a considerable time, was well known in those districts for about thirty years. He worked in nearly every important centre in that vast area where gold has been discovered. He was universally liked, and I think it would be paying to him a deserved tribute, to say nothing of the fact that we should get over the inconvenience which is felt from having two electorates of the same name, if we were

to substitute his name for that of Kennedy. I move—

That the name of the electorate of Kennedy be changed to Browne.

Mr. SPEAKER.—If honorable members please I will put the amendments indicated by the honorable member for Maranoa and the honorable member for Kennedy in this form—

Provided that the district A shall be known as Browne, and that the district J shall be known as Artesia.

Mr. GROOM (Darling Downs—Minister for Home Affairs) [5.42].—I would suggest to honorable members not to move an amendment for the purpose of altering the name of an electorate. These motions are complete in themselves, and we have either to accept or to reject the report which really covers the boundaries of the electorates. If both Houses pass a resolution approving of any proposed distribution the naming of the constituencies is a matter which is left for a Proclamation by the Governor-General in Council—

If both Houses of Parliament pass a resolution approving of any proposed distribution, the Governor-General may by proclamation declare the names and boundaries of the Divisions, and such Divisions shall, until altered, be the Electoral Divisions for the State in which they are situated.

I do not object to the House expressing an opinion.

Mr. WATSON.—Is there not some way of getting an expression of opinion from honorable members?

Mr. GROOM.—That is what I should like to get. I shall give every consideration to the names which have been suggested. It is not desirable to have State and Commonwealth electorates bearing the same name, as it leads to great confusion. It is just as well, I think, to let the House know any change of name which is going to be proposed. If there is any desire to alter the names perhaps we can give honorable members an opportunity of dealing with the matter of names on another occasion.

Mr. BAMFORD.—How would it do to suggest names to the Commissioner?

Mr. GROOM.—It will be open to honorable members to suggest new names to the Governor-General in Council after the proposed resolutions have been adopted by both Houses. This is purely a legal question. We want to get the motions adopted as soon as possible, and not

to make any additions which might impede or delay their passage. I think that we can give honorable members an opportunity, if it is desired, to submit fresh names to the Governor-General in Council.

Mr. PAGE.—Why not do that now?

Mr. GROOM.—I do not want the two questions to be mixed up. Before the Proclamation is issued by the Governor-General in Council we will see if we cannot give honorable members a chance to submit fresh names. At this stage I think it is quite proper for honorable members to express their opinions as to any names. So far as I can see Artesia is a very appropriate name to adopt for the Maranoa electorate. Other honorable members may think it is desirable that instead of picking out the names of individuals we should try to preserve suitable native names. Take, for instance, the suggestion which the honorable member for Kennedy made in regard to the perpetuation of the name of Mr. Browne, who was a most esteemed politician in Queensland. Other honorable members might think it desirable, if we are to perpetuate any names, that we should rather perpetuate the names of men like Dalley, Parkes, and others who were Federalists.

Mr. WATSON.—We have got them already.

Mr. GROOM.—I only mentioned those names by way of illustration. I do not think it is advisable to impede the passage of the motion by adding something which might cause delay in getting to work.

Mr. BAMFORD.—Let the Minister submit a separate motion when these motions have been passed.

Mr. GROOM.—At a later stage we can give an opportunity to honorable members to deal with the question of names. In the meantime, if they make any suggestions, most of them may commend themselves, and if they do, we can promise that the Government will take action accordingly.

Mr. WILKINSON (Moreton) [5.47].—What the Minister of Home Affairs has just said with regard to re-naming the constituencies may contain some force, but if he will look at the map he will find that in Queensland all the constituencies, except, I think, Capricornia and Darling Downs, are named after individuals. Not only are Moreton, Oxley, Kennedy, and Fitzroy in Queensland named after individuals, but I think that the majority of the constituencies

in the Commonwealth will be found to be similarly named. The Minister desires to pass the motion without obscuring the matter, and asks merely for an expression of opinion. I think, and I believe I express the opinion of a majority of my constituents when I say that the names suggested by the honorable member for Maranoa and the honorable member for Kennedy would be welcomed. Like other members who have spoken for Queensland, I have to compliment the Commissioner upon the excellent work which he has done, but I think that nothing would have been lost if the consideration of this motion had been delayed for a week, until the report from which the Minister has quoted so copiously had been placed in the hands of honorable members, because I know that there is not a feeling of universal satisfaction with the division which has been made. Personally I am perfectly satisfied, because I know the difficulties with which the Commissioner had to contend. I believe that he has made the best division of Queensland which could possibly be made, and therefore I have no objection to offer. An objection which has been urged is possibly consequential upon our electoral law, which, rightly in my opinion, gives the franchise to those who have done as hard pioneering work in the State and Commonwealth as other men have done, and who are now in Dunwich Benevolent Asylum. An objection is taken against these men voting *en bloc* for one constituency. Although they will come into the new constituency of Moreton, still I think that there is some justification for the objection. These men and women who have come upon bad times in their old age and infirmities are gathered in one centre on Stradbroke Island, in Moreton Bay. They number between 1,000 and 1,100, and have been drawn from various parts of Queensland. I think that if an alteration had been made in the electoral law so as to allow such persons to vote for the constituencies from which they had come, it would have given greater satisfaction to the people of Moreton electorate and to the people of Queensland generally, because those who are now engaged in earning their living, and have to pay taxes to keep up this benevolent institution, consider that the votes of a considerable number of them may be outnumbered by its inmates. I think that these people have every right to exercise the franchise, because, although they are not now engaged in an active struggle for

Mr. Wilkinson.

existence, still in the past they have done their work for the country.

Mr. SPEAKER.—I am afraid that the honorable member is hardly discussing the question.

Mr. WILKINSON.—I bow to your decision, sir. I am merely stating the reasons which have been alleged by Queensland electors as to why some other divisions might have been made. In my own opinion, better divisions could hardly have been made, though I know that petitions have been lodged against them. I believe, for instance, that a petition came from certain residents in the districts at the lower end of the Lockyer.

Mr. GROOM.—They came too late.

Mr. WILKINSON.—Petitions were also sent from the northern end of what is called in the State the Moreton electorate. They also were too late. It appears that there is some dissatisfaction with regard to the present Moreton electorate. It would have been well, in my opinion, if honorable members had had the report relating to the division to peruse, in order that they might see the reasons which were given for the divisions proposed by the Commissioner. Unfortunately, we have not the report before us, and, therefore, are acting in the dark. Personally, however, I shall not oppose the proposal. I am aware that my action in regard to this matter has been called in question by opponents. I wish to put myself straight with my constituency, the House, and the country, and to say that I took no part whatever in inciting people to raise objections. I say now, as I said in the beginning, that, in my opinion, Mr. Lawson has made the best possible division under the circumstances; and, while I should have liked to see effect given to the wishes of those who have expressed opinions against the proposed changes, still I do not see how the matter could have been settled in a better way than it has been. I offer no objection to the proposal of the Minister. All I have to remark to him is that it would, perhaps, have been just as well to allow the divisions in Queensland to remain as at present, because, in a short time—having in view the population that Queensland is attracting from New South Wales and Victoria—I am sure that she will be entitled to a tenth representative when a further redistribution will require to be made.

Mr. FISHER (Wide Bay) [5.55].—It is quite evident that the feeling that we are

told has been aroused at the delay in making the alterations in the electorates in some States has not been aroused in Queensland. Very little interest has been taken in the matter there. As the honorable member for Moreton has pointed out, many people who were severed from one electorate and put into another knew nothing about the change until it was too late to petition against it. In my own electorate, Bundaberg, which we look upon as the Mecca of radicalism and labourism in Queensland, disappears from Wide Bay. The people of Bundaberg did not know of the change until it was too late to petition against it. I have no objection, personally, to the alterations made. I think that the Commissioner appointed for the purpose has done his work admirably. Although I cannot help feeling some regret that the Wide Bay electorate will have attached to it a piece of Moreton—whilst, of course, the Moreton division will lose a piece to Wide Bay—still I can see that such changes could not be prevented. Naturally, all honorable members desire that those whom they have previously represented shall continue to be their constituents; but I think that the best thing has been done, and I congratulate the Government on having proposed this resolution so early in the session.

Mr. DAVID THOMSON (Capricornia) [5.57].—I have no objection to the redivision of Queensland now proposed. Personally, I think I shall get rather less travelling in my constituency under the new scheme than I had before. A piece has been taken off one end of Capricornia, and another piece has been tacked on to the other end. The change has not increased the size of the electorate very much, nor has it materially affected the number of electors in the division. So far as concerns the names of the various electorates it appears to me that the names suggested by the honorable member for Maranoa and the honorable member for Kennedy are very appropriate. I am not aware that any alteration can with advantage be made in the name of the electorate which I represent. Capricornia is a very appropriate name, and there is no need for an alteration. I think that Mr. Lawson has made a very good division of the State, and it only remains for the Electoral Office to give effect to the redistribution as quickly as possible.

Mr. BAMFORD (Herbert) [5.58].—I fully indorse the remarks which have been made with reference to the Queensland redistribution. So far as my own electorate is concerned, no alteration has been made. The boundaries have been satisfactory to me in the past, and I hope they will be in the future. The names which have been suggested by the honorable member for Maranoa and the honorable member for Kennedy are most appropriate, and I am sure will be received with acclamation by the Queensland people. I suggest that the name of my own electorate might be altered. I have not thought of another name for it, though, perhaps, Carpentaria would be appropriate. I do not think that there is a State electorate so named.

Mr. GROOM.—Yes, there is.

Mr. BAMFORD.—If the Minister purposes making any recommendation in this connexion, he should bear in mind the advisability of having no Federal electorate so named as to clash with the name of a State electorate. It has been suggested that my own constituency might appropriately be termed Alligatoria. I do not think that that would be quite so appropriate as other names that could be mentioned. With regard to Mr. Lawson I have great pleasure in speaking as to the way in which he has done his work, because I was responsible to some extent for the first redistribution having been thrown out. On that previous occasion, when the redistribution had been carried out by another gentleman in Queensland, I pointed out to the House that the proposals as made had a very fishy appearance. There is no doubt, in my mind, that I was fully justified in what I said, and subsequent events have gone to prove it. I have nothing further to say, except to commend to the Minister the suggestions which have been made as to names.

Mr. GROOM.—If honorable members will withdraw their amendments, I will give them a subsequent opportunity to make suggestions.

Amendment, by leave, withdrawn.

Question resolved in the affirmative.

ELECTORAL DIVISIONS: NEW SOUTH WALES.

Mr. GROOM (Darling Downs—Minister of Home Affairs) [6].—I move—

That the House of Representatives approves of the distribution of the State of New South Wales into electoral divisions, as proposed by His Honour Judge Murray, the Commissioner

for the purpose of distributing the said State into divisions, in his report laid before Parliament on the 7th day of June, 1906.

The same Commissioner was appointed to undertake the redistribution of the State of New South Wales as was appointed by our predecessors in office. Certain doubts existed as to the proper procedure to be adopted for the purpose of determining the true representation to which the various States were entitled in this House. A Representation Act was accordingly passed to allay these doubts, and under which statistical returns were sought from the various Government Statisticians. These officers furnished the returns in question, and a certificate was presented in accordance with the Representation Act which showed that New South Wales was entitled to an additional member. The result is that we now have to make provision for twenty-seven representatives, in lieu of twenty-six. The commission was issued to Judge Murray, and instructions were given to him in the usual way. He was asked to redistribute the New South Wales electoral divisions on the basis of twenty-seven representatives. The position in which he found the State is set out in his report. The total number of electors in New South Wales is 673,282. At the present time these are distributed between twenty-six electorates. In several of the divisions in that State the number of electors is above the maximum allowed by law, whilst in others it is below the minimum. For instance, Lang is 6,475, North Sydney 7,515, Parkes 5,730, Dalley 1,709, Newcastle 1,555, South Sydney 189, and Wentworth 620 above the maximum; whilst Darling is 6,548, Riverina 4,723, Barrier 724, Bland 902, and Canobolas 633 below the minimum.

Mr. JOSEPH COOK.—What is the number allowed?

Mr. GROOM.—I am speaking of the existing divisions, and not of the electorates proposed under the redistribution scheme. The total number of electors in New South Wales is 673,282. The number of divisions required to give effect to the present scheme of redistribution is twenty-seven, and the quota is 24,936. On the present basis of distribution, with twenty-six divisions, the quota is 25,895, the maximum number of electors in any electorate is 31,074, the minimum is 20,716, and the margin of allowance above or below the quota 5,179. In North Sydney, at the present time, there

are 38,589 electors, whereas its maximum number, according to law, should be 31,074, thus giving that electorate an excess above the maximum of 7,515. In many constituencies the numerical strength of the voters is not in accordance with the Act, and the Commissioner had to face the question of how he could distribute these electors throughout the State. He has decided upon dividing the State into two parts, one of which comprises the metropolitan, sub-metropolitan, and extra metropolitan divisions. In the city electorates he has allowed a higher number of electors upon the whole than he has grouped in the country divisions. This to some extent preserves the existing divisions, and also gives a fair representation to the country districts. The result of his distribution is that he has increased the metropolitan districts from nine to eleven. In other words, he has added two electorates to the metropolitan area. Then he has redistributed the country districts in such a way that Canobolas entirely disappears, its electors being divided amongst other constituencies. In New South Wales, therefore, we shall in future have eleven representatives of the metropolitan and sub-metropolitan area, and sixteen representatives for the rest of the State. Altogether the metropolitan electors number 293,335, and those of the extra metropolitan divisions 379,947. In his report the Commissioner states that several objections were taken to the redistribution scheme proposed, and that these have been considered by him. He sets out that he has acted upon some of these objections, but states that in one or two instances he has not been able to do so.

Mr. HENRY WILLIS.—To what objections has he acceded?

Mr. GROOM.—If the honorable member will mention any particular electorate I can tell him whether the Commissioner has acceded to the objections that were urged in connexion with it. I know that he has considered objections lodged in regard to the divisions of Parkes, Lang, Darling, Riverina, and Canobolas.

Mr. HENRY WILLIS.—The redistribution of Robertson was not objected to?

Mr. GROOM.—I do not think that it was affected in any way. However, I am asking the House to adopt the report made by the Commissioner. He has had a difficult task to perform. He was faced with the fact that there was a very large city

population, and he has endeavoured to cope with that difficulty by grouping together in the metropolitan area a larger number of electors than he has distributed in the country divisions.

Mr. WILKS.—He has taken away about 5,000 red-hot supporters from me.

Mr. GROOM.—The honorable member will always gain supporters wherever he may go. I do not know that it is necessary for me to add anything more, unless honorable members have any objections to urge against the motion. If it becomes necessary for me to give any further information to the House, I will do so at a later stage. In conclusion, I would point out that it will be necessary to rename three of the electorates. One of these, in the neighbourhood of Sydney, it has been suggested should be known by the name of Cook, and another by that of the Nepean. The new division which has been constituted out of the electors of Orange and Canobolas it has been suggested we should call Mitchell, after the explorer, Canobolas being no longer a suitable name.

Mr. JOSEPH COOK (Parramatta) [6.10].—I propose to offer no objection to this redistribution scheme. My own opinion from the first has been that the less Parliament interferes with these arrangements the better for all parties and all interests. So far as New South Wales is concerned, we have appointed a Commissioner in whom we have absolute confidence, and I presume that I may say the same of the other States. Every one who knows His Honour Judge Murray has the fullest confidence in his ability and integrity, and in his special skill in the making of redistributions. This is not the first time that he has done a work of like character for his State. While there may be defects in the scheme which he has submitted, I have no doubt that if we begin to put our fingers upon those defects with the intention of remedying them, we shall make much bigger blotches on it. I have no doubt that for every mistake in the scheme there are many weighty reasons against any alteration or alternative that might be suggested. So far as I know, the work, on the whole, has been done well, having regard to the difficulties of the situation. I speak in this way because I know that the scheme has involved the cutting in two of the electorate I represent. My constituency has been sliced diagonally, and out of one-half of it a new

electorate has been created. The remaining half has no appearance of symmetry. That is owing to the configuration of the country and the necessity of relieving the electorate of North Sydney of 13,000 or 14,000 electors in excess of the number permitted. When one considers the difficulties surrounding this redistribution scheme, one must recognise that, whilst it is easy to pick holes in it, it is quite another thing to remedy it. Having selected for this task the most eligible men that could have been obtained, we had better trust to their judgment, believing that the work has been done with due regard to the best interests of the State and free from any tinge of partisanship or bias. Believing that to be the case, I shall support most cordially the redistribution as laid on the table of the House.

Mr. THOMAS (Barrier) [6.13].—I am very pleased to be able to support the motion for the adoption of the scheme for the redistribution of New South Wales. I have only to say that the fact that the motions relating to the redistribution of the States are apparently to be carried without opposition proves that we were absolutely justified in the conclusion at which we arrived some time ago that the first redistribution scheme was objectionable. The scheme then submitted for the redistribution of New South Wales was different from that now before us. It did not give to the State the additional representative for whom provision is now made, and I would remind honorable members that if it had been passed, New South Wales would not have had for some years the extra representative to which she is entitled. The way in which these motions have been received shows, to my mind, that the schemes now before us have been carried out satisfactorily, and affords a complete justification for the action taken by a number of honorable members, who, in common with myself, opposed the original redistribution submitted to the Parliament.

Mr. KELLY (Wentworth) [6.15].—I should have thought, before we listened to the honorable member who has just resumed his seat, that it would be difficult for any member of the Labour Party to offer any justification for interfering with the basis of the principle of "one vote one value." The honorable member opposed the redistribution of New South Wales in 1902, and supported a state of affairs which permitted a few members

name of the new division should not be either "Canobolas" or "Bland," but that it should be called "Mitchell."

Mr. GROOM.—The "Lachlan" has also been suggested as a name for the division, but there is a State electorate of that name.

Mr. BROWN.—I do not think that it would be desirable to adopt that name, because there is a State electorate of Lachlan, and it is advisable to make a distinction between the Federal and State divisions. I think that the name suggested by the Commissioner for the State was "Calarie," which I understand was the aboriginal name for the Lachlan. The name "Canobolas" was considered more appropriate, because it was better known, and is the name of an important land-mark in the electorate. I understand that an objection to the continuance of that name is that Mount Canobolas will be outside of the new division. I have looked at the map, and so far as I can ascertain the Canobolas Range forms the boundary line between the proposed division and the Macquarie division, and still forms an important land-mark in the electorate. Another reason why I think we should adhere to the name of "Canobolas" is that it has become generally known during the last five or six years.

Mr. WILKS.—That applies also to "Bland."

Mr. BROWN.—That is so, but under present conditions one of the names must disappear. We must give up "Bland" or "Canobolas," or both, as the Minister seemed to indicate was the intention of the Government.

Mr. GROOM.—I said only that that had been suggested.

Mr. BROWN.—There are some reasons why, if one name only is to disappear, it should be "Bland." In the proposed new division there will be nearly 14,000 voters on the roll for the existing Canobolas division, whilst there will be only 6,000 voters who are at present on the roll for Bland. So that the preponderance of voting power in the new electorate will be derived from the existing Canobolas division. Again, "Canobolas" is an aboriginal name, whilst "Bland" is the name of a district surveyor, who did a great deal of survey work in that portion of the country in the early days. I hope the Minister will consider the advisability of retaining the name of "Canobolas," and will give me an oppor-

tunity to test the opinion of the House on the question of its retention.

Mr. WILKS.—Why not suggest "Bland" as the name for the new division which it is proposed shall be called "Cook," and thus retain both names of existing divisions?

Mr. BROWN.—That is a suggestion which, I hope, the honorable member for Dalley will make. I think it is well worth considering on the ground that we have certain names of divisions now which have become generally known, and should not depart from them without very good reason. In the present case there is a reason why one of these names must disappear. I must again express my regret that the proposed division has been submitted to the House at so late a date that it is impossible for us to refer it back to the Commissioner with a view to dealing with some anomalies such as that which has been brought about by adding the Orange portion of the existing Canobolas division to the Macquarie division, and adding a portion of the present Macquarie division on to the proposed new division which I suggest should be called the Canobolas division. For the reasons I have indicated, I feel strongly disposed to move that the report should be referred back to the Commissioner, but if I were supported by a majority on such a motion it would mean the death-knell of the whole of these proposals for the division of New South Wales for the next Parliament. I do not think, in the interests of New South Wales and of the Federation generally, that that would be desirable, but I expect to be given an opportunity to consider the names to be adopted for the divisions later on.

Mr. WILKS (Dalley) [7.35].—I approve of the divisions which have been submitted in the Commissioner's report, and am pleased that there should be a disposition on the part of the House not to interfere with the action of an officer who is altogether outside Parliament. I am one of those who think that the division of the States into electorates should be removed now, and in future, from all political influence. The Minister pointed out that the metropolitan area in New South Wales comprises eleven districts, but he also stated that the number of voters included in each metropolitan district was greater than the number in other electorates in New South Wales. That is in marked contradistinction to what appears in the division of Victoria which has been submitted. The

Commissioner appointed to divide the State of Victoria appears to have carried out his work with mathematical precision, and has treated city electorates on exactly the same footing as country electorates.

Mr. TUDOR.—No, he has not. There is as much difference in that respect in the Victorian divisions as in the divisions proposed for the other States. Perhaps the honorable member is trying to explain away a vote which he intends to give.

Mr. WILKS.—If the honorable member for Yarra will study the proposed division of Victoria, he will find that it has been carried out with almost mathematical precision, having regard to the number of voters in each electorate. The only fault I have to find with the New South Wales scheme is that I object to any differentiation between country and city electorates. It appeared to me that the Minister, in explaining the New South Wales scheme, expressed approval of the distinction drawn between country and city electorates in New South Wales, but in Federal matters I do not approve of any difference being made in this respect between metropolitan and country areas. An ideal scheme of division, if it were possible, would be the division of a State into aliquot parts, so far as the number of voters in the State is concerned. That appears to have been impossible, and we must now accept the scheme as proposed. The honorable member for Canobolas objects to the disappearance of "Canobolas" as the name of one of the divisions. The honorable member argues that the name has become well known in the Federal Parliament, and it would therefore be a pity not to retain it. I think it would be a pity, also, not to retain the name of "Bland," which has been associated with the name of a member of the Labour Party in this Parliament. The Minister has made a suggestion that a new electorate, which at present is a kind of no man's land, should be called the "Cook" electorate.

Mr. GROOM.—That suggestion is made by the Commissioner.

Mr. WILKS.—I suggest that the name "Bland" should be given to that electorate, not only because of its associations in this House, but also because it would commemorate the work of one of the most estimable characters in New South Wales history. Bland was an historian of high repute, whose works are quoted to-day in the public life of New South Wales, an ex-

plorer, and a politician. Therefore, I suggest that it would be appropriate to retain the name of Bland to designate one of the New South Wales divisions.

Mr. ROBINSON (Wannon) [7.43].—I do not propose to discuss the general merits of this distribution, but I wish to emphasize what was said by the honorable member for Canobolas as to the desirability of retaining native names for our electoral divisions, so far as that may be possible. If we are going to make this Commonwealth distinctively Australian, we should use Australian names where we can.

Mr. MAUGER.—Australia for the Australians!

Mr. ROBINSON.—That is, in some respects, a good cry. We know to what a ridiculous pitch the nomenclature of the United States has been brought by the borrowing of names from other countries. We have there such towns as Troy, Ilium, and others whose names, by association, appear absurd. I agree with the honorable member for Canobolas that a native name should be given to the proposed new division. This is merely a matter of sentiment, but it seems to me that the sentiment is worth cultivating. The Australian Natives' Association, of which I am proud to be a member, feels that steps should be taken to retain native names, and when the first Victorian distribution was made, a committee was appointed by the Legislative Assembly of the State to find suitable native names for the new divisions. As a result, many of the Victorian divisions now bear Australian names. I suggest to the Minister that a sub-committee of the Cabinet, or he himself, should look into this matter.

Question resolved in the affirmative.

ELECTORAL DISTRIBUTION: VICTORIA.

Mr. GROOM (Darling Downs—Minister of Home Affairs) [7.45].—I move—

That the House of Representatives approves of the distribution of the State of Victoria into electoral divisions as proposed by Mr. C. A. Topp, the Commissioner for the purpose of distributing the said State into divisions, in his report laid before Parliament on the 7th day of June, 1906.

We appointed, to distribute the State of Victoria into electoral divisions, Mr. Charles A. Topp, the Commissioner appointed to that work by our predecessors. Honorable members will remember that a little time back there was some discussion as to the right of Victoria to

twenty-three members who now represent her, and the statistical returns which we obtained bearing on the matter were incorporated by the Chief Electoral Officer in a certificate which he presented to Parliament. That certificate shows that Victoria is entitled to a representation of only twenty-two members, and instructions were therefore given to the Commissioner to distribute the State into twenty-two divisions. After the distribution had been made, the Commissioner's maps were exhibited, in accordance with the law, but the thirty days prescribed elapsed without a protest being made against the proposal, which I now ask the House to adopt. The existing divisions contain many anomalies. The total enrolment for Victoria is 616,426 electors, and with twenty-three members that makes the quota 26,801. The maximum number of electors who ought to be in any one constituency is therefore 32,161, and the minimum 21,441, the margin of allowance above and below—one-fifth—being 5,360. In Kooyong, however, which should not contain more than 32,161 electors, there are 39,223, or 7,062 above the maximum; in Yarra there are 40,270 electors, or 8,109 above the maximum; in Balaclava the excess is 1,489; in Bourke, 1,220; in Northern Melbourne, 1,175; and in Southern Melbourne, 305. There are certain electorates which are below the minimum of 21,441. Wimmera is short of the minimum by 3,531, containing only 17,910 electors; Gippsland contains only 20,808, a deficiency of 633; Corinella only 20,813, a deficiency of 628; and Laanecoorie a deficiency of 854. The other electorates are within the legal limits. But, as I have shown, in six electorates there is an excess, and in five a shortage. The Commissioner had to adjust these inequalities, and at the same time to reduce the number of divisions. He had an electoral population of 616,426 to divide among twenty-two constituencies. The quota was fixed at 28,019, the maximum number was 33,623, and the minimum 22,415. The margin of allowance, therefore, was 5,604. The Commissioner had to deal with a large city population, and with a comparatively scattered country population, and his idea is that there should be nine metropolitan divisions and thirteen country divisions. At present Victoria has fifteen country divisions, which the Commissioner has reduced to thirteen, and he has increased the number of metropolitan constituencies to nine. I might inform honorable members that

Mr. Groom.

Balaclava, which at present has an electoral population of 33,650, will under the new scheme have 28,969, or 950 above the quota. The Bourke electorate will have an electoral population of 28,753, or 734 above the quota. It has been necessary, in the metropolitan area, to readjust the boundaries of some of the old constituencies, in order to provide for the increased number of divisions. Division No. 3, which consists of parts of Yarra, Northern Melbourne, Bourke, and Melbourne, will have an electoral population of 28,219, or 200 above the quota. No. 4 electorate, which consists of parts of Melbourne Ports, Northern Melbourne, Bourke, and Melbourne will have an electoral population of 30,244, or 2,225 above the quota. Kooyong will have an electoral population of 30,014, or an excess of 1,995 over the quota. Melbourne will have an electoral population of 29,506, or 1,487 above the quota. Melbourne Ports will have 29,237, or 1,218 above the quota. Southern Melbourne will have 31,348, or 3,329 above the quota. Yarra will have 28,180, or 161 above the quota. Ballarat will have 28,342, or 323 above the quota. Bendigo will have 28,616, or 597 above the quota. The constituencies to which I have referred are all populous centres, and are mostly in the city. Now, I shall refer to what may be regarded as the country constituencies. Corangamite will have an electoral population of 27,738, or 281 below the quota; Corio will have 28,416, or 397 above the quota; Echuca and Moira will have 27,387, or 632 below the quota; Flinders will have 26,358, or 1,661 below the quota; Gippsland will have 26,549, or 1,470 below the quota; Grampians will have 26,236, or 1,783 below the quota; Indi will have 27,541, or 478 below the quota; Mernda will have 26,969, or 1,050 below the quota. The division which consists of parts of Corinella and Laanecoorie, will have 26,175, or 1,844 below the quota; Wannon will have 26,120, or 1,899 below the quota; and Wimmera will have 25,509, or 2,510 below the quota. Honorable members will see the method which the Commissioner has seen fit to adopt. In the populous centres he has, in almost all instances, brought the figures above the quota, and in the country constituencies he has kept them below the quota. In conclusion, I may mention that no objections have been lodged against the proposed distribution.

Mr. McLEAN (Gippsland) [7.57]. — I should like to know, Mr. Speaker, whether I should be in order in moving—

That the words "7th day of June" be left out, with a view to insert, in lieu thereof, the words "29th day of June, 1905."

My object is to substitute the first plan of subdivision for the one now before us.

Mr. SPEAKER.—I know of no parliamentary rule to prevent the honorable member from doing as he proposes, but I cannot pronounce an opinion as to whether or not his amendment would accomplish any purpose.

Mr. McLEAN.—In moving the amendment, I desire it to be distinctly understood that I do not wish to reflect in any way whatever on the Commissioner. On the contrary, I think that he is an excellent man, and that he has done his work conscientiously and to the best of his judgment.

Mr. TUDOR.—Upon which occasion—the first or the second?

Mr. McLEAN.—Upon both occasions. I have read his reasons for making the second distribution, and I must say that they do not commend themselves to me to the same extent as did the reasons he gave in submitting his first plan.

Mr. TUDOR.—I think that the second set of reasons is the best.

Mr. McLEAN.—I shall read what the Commissioner said in his first report—

As I was informed that the number of electoral divisions was to be twenty-two, it became my duty, in connexion with the new distribution to reduce the existing number of divisions by one. It was not possible to lessen the number of metropolitan divisions, as to have done this would have involved raising the number of electors in several of the divisions above the legal maximum. The number of the country divisions had, therefore, to be reduced by at least one. The question further arose whether that number should not be reduced by two, so as to allow of an additional metropolitan division. Such an alteration would certainly have tended to more nearly equalize the number of electors in metropolitan and in country divisions, but, after full consideration, I did not deem this course advisable, as I found that I could, by making use of the margin of allowance which the Commissioner is authorized to use whenever necessary, distribute the metropolitan area into eight divisions as at present, in each of which there would be a reasonable community of interest, and in forming which the existing boundaries could be more closely kept than if a larger number of divisions were adopted, while a distribution of the country portion of the State into the largest permissible number of divisions afforded the greatest facilities for giving attention to the four matters specified in section 16, namely:—

Community or diversity of interest, means of communication, physical features and existing boundaries of divisions.

In all these respects his first proposal conformed more nearly to the provisions made by Parliament for regulating the matter than does the second. I am not one who would claim for a country elector more power than a metropolitan elector. But I contend that the compact, well-organized electors in the metropolitan districts exercise infinitely more influence upon the legislation and government of the country than do the scattered, unorganized electors in the country districts. While I thoroughly believe in the principle of one vote one value, I believe in the substance, and not in the mere shadow. I could give a number of instances which I believe would convince honorable members of the truth of my statement, but, as I do not wish to take up time unduly, perhaps it will be sufficient if I mention one. As I did not know that this motion was coming on to-day—and I do not think that any of us expected that it would—I have not got the figures with me, but, roughly speaking, I believe that the country districts must have 40 per cent. more electors than have the metropolitan districts. Yet, with that preponderance of electors, we find that the country districts have not been able to return a solitary member to the Senate; the metropolitan districts return the six senators. Then, again, although there are seven more country electorates at the present time than metropolitan electorates, the metropolis sends far more members into the House of Representatives than do the country districts. I believe that honorable members, whatever their views on the subject may be, wish to be fair. I think they must concede that, when under existing circumstances the metropolis exercises so much more influence upon the legislation and the government of the country than do the country districts, by reducing the number of members for the country districts by two and giving an additional member to the metropolis it will practically mean disfranchising to a large extent the country electors, and that I do not think any honorable member wishes to do. I do not desire to take up time unduly, as I want to see this question go to a vote. I regret exceedingly to find that Victoria must lose a member; I recognise that, under the provisions of the Constitution, our population does not entitle us to retain our present number

of members, and therefore I bow to the inevitable with the best grace I can. I would ask honorable members to weigh the reasons I have given in favour of substituting the first report of the Commissioner for the other. I do not think that it would cause any inconvenience, and it would be dealing out some modicum of justice to country districts. I recognise that it was only fair that one member should be taken from the country districts, but to take an additional member from them, and give an additional one to the metropolis would, in my opinion, be most unfair to them. I feel that I would not be doing my duty unless I asked honorable members to support the amendment and do justice to the electors in country districts, without doing any injustice to the metropolis.

Sir GEORGE TURNER.—There would be no delay.

Mr. McLEAN.—It would not delay the carrying out of the scheme. When honorable members consider that at the present time, with a much larger discrepancy between town and country, the former exercises infinitely more influence upon the legislation and the government of the Commonwealth than does the latter, they can readily realize what the disproportion will be if the second scheme be adopted instead of the first.

Mr. GROOM (Darling Downs—Minister of Home Affairs) [8.5].—I hope that the House will not adopt the amendment. Like the honorable member for Gippsland we have a strong sympathy with the country electorates and electors, and we desire just as earnestly as he does that they should receive their due proportion of representation in this House.

Mr. PAGE.—This is the only Government in Australia that does, then. That is my experience.

Mr. GROOM.—Perhaps that accounts for the honorable member sitting behind us. Honorable members must recognise that this distribution was carried out by a Commissioner who was appointed under the authority of a Statute, and who, I may add, was appointed for a similar purpose by my predecessor. It is exceedingly desirable that we should move forward, and have these schemes adopted in order that they may be brought into operation for the purposes of the next general election. In anticipation of Parliament following this course, we took the responsibility of having everything, as far as it was pos-

sible, prepared in advance on the basis of the report which was submitted by the Commissioner for Victoria. At the present time the police are allocating the polling places and the electors upon the assumption that this scheme will be adopted. I ask honorable members to consider the practical effect of accepting the amendment even if they could legally do so. The whole of that work in this State would have to be started afresh. We should have to get the names re-collected, and the probability is that it would raise serious doubts as to whether it would be possible this year to hold an election on that basis.

Mr. SKENE.—Why would the work have to be started afresh?

Mr. McLEAN.—The officers will not bear out the Minister's statement.

Mr. GROOM.—I can assure the honorable member for Gippsland that I am acting upon information which has been officially supplied to me. I am quite sure that the honorable member for Grampians recognises that this is not a question of party politics.

Mr. SKENE.—Certainly, but I do not quite understand how the adoption of this amendment would cause the work to be started afresh.

Mr. GROOM.—The honorable member perhaps did not follow me. What I said was that Victoria is now to have twenty-two instead of twenty-three constituencies, which means a new constitution of the electorates.

Mr. McLEAN.—Under both schemes Victoria is to have twenty-two members.

Mr. GROOM.—It is quite true that the two schemes provide that Victoria shall have twenty-two members, but as a matter of law it now has twenty-three constituencies. The electoral rolls were ordered to be printed by my predecessor as Minister for Home Affairs, the honorable member for North Sydney, on the present basis of twenty-three divisions. At the present time those are the electoral rolls for the State of Victoria.

Mr. McLEAN.—We must have fresh rolls.

Mr. GROOM.—That is so. But the honorable member must see that in order that Victoria may have twenty-two constituencies, instead of twenty-three, we have to get the police to give us information as to the names on the various rolls, so as to allot them to their appropriate polling

places. In anticipation of this scheme being adopted by Parliament, instructions were given to the police to take note of these electoral divisions, to collect all the names of electors, and to assign them to their appropriate polling places. That work has been proceeding on the basis of the proposed redistribution. Steps were taken, I think in February, and instructions were immediately given to the police to act upon the report of the Commissioner. The police have the collection and allocation of the names well advanced. We felt that it was essential to hold the elections this year, and that we had to incur the responsibility of undertaking this work. If the honorable member's amendment were given effect to—even supposing it could legally be done—it would delay all that work, and serious risks would be incurred as to whether we could get the rolls ready in time for the general election. Supposing we could not get them ready, would Victoria have twenty-three representatives in the next Parliament? It is not as though this was a scheme fresh out of the mind of the Commissioner. It is not an immature scheme. The Victorian Commissioner was one of the first to be appointed, and he was one of the last to send in his report. We know that he is a thoroughly conscientious, painstaking, and careful Commissioner. If he had been a man who did not realize the responsibilities of his position, or one who would be likely to send in what he had previously submitted without fresh consideration, we might feel doubtful about accepting his report. But instead of that, he realized the responsibility cast upon him by Parliament. He realized that he was in a quasi-judicial position. Although he divided the electorates last year, he has since reconsidered the whole basis of his determination, and acted upon the information placed before him. He has acted in accordance with the principles laid down in the Electoral Act, and has constituted the divisions as we have them before us today, in accordance with those principles. I am perfectly sure that he gave due weight to all that has been said by the honorable member for Gippsland to-night. But there is another point. This matter has been before the electors concerned, and they have raised no objection.

Mr. McLEAN.—Did they raise any objection to the first scheme? I think you will find they did not.

Mr. GROOM.—I think they did. At all events, the Commissioner found objections in the first scheme. Although this matter was thoroughly discussed last year, and although the public were fairly notified, so that every person throughout Australia might know of the proceedings that were taking place—and in no place was more publicity given to the matter than in Victoria—no objections were raised. There have been no protests whatever. To-night we have had the first notice of any objection to the Commissioner's scheme. I maintain that the only step which we can take in the circumstances is to adopt the scheme. I do not say so because the Government has not sympathy for country constituencies. I am sure that if the honorable member for Gippsland occupied the position which I now hold, he would find it necessary to stand by his Commissioner. I do not think that he would ask the House to reject the scheme. If there had been a serious flaw in the distribution, and if due weight had not been given to the considerations which have been advanced by the honorable member for Gippsland, there might have been some force in his objection. I was asked a few moments ago whether any objections were made to the last scheme. I find that there were three objections to it. But none have been made to this. I think that, on the whole, electors are fairly alive to their own interests; and if they were not, the members who represent them are. There has been no objection to the scheme in the case of Gippsland, even on the part of the honorable member himself. In several instances where members thought that their constituents were not fairly treated, they have not scrupled to send in objections.

Mr. McLEAN.—It is not an objection to my own electorate I am raising. It is a matter of principle.

Mr. GROOM.—Quite so. But the honorable member must see that the Commissioner must also be guided by principle. The principles which guide him are laid down in the Electoral Act.

Mr. CROUCH.—Where is the principle in making Corio larger than two metropolitan constituencies?

Mr. GROOM.—The Commissioner has set out his reasons for his action, and I find that, even in the case of Corio, there has not been a single objection. There is this further point—that it is open to serious objection whether it is legally possible for the

honorable member for Gippsland's amendment to have any effect. Even if it is legal, it is certainly opposed to the spirit of the Electoral Act.

Mr. McLEAN.—Not a bit.

Mr. GROOM.—I say, with all due respect, that it is, and I will give my reasons. In the first place, the honorable member knows that serious doubts were raised as to whether, under the Constitution, the population could be adjusted upon Executive act. An opinion on the point was given by a gentleman for whom the honorable member for Gippsland himself has the highest respect—Mr. Irvine; and his opinion as a lawyer is entitled to every consideration. Mr. Irvine expressed the opinion that the action taken by the Government was unconstitutional.

Mr. ROBINSON.—We will chance it.

Mr. GROOM. — As the Minister administering the Department, I am not going to chance anything. My feeling is that it is a duty which I owe to the House and to the country that each step that we take shall be sanctioned by law, and not be subject to mere chance. I must be satisfied of the legal grounds upon which I am proceeding. What has happened since then? It was felt that the method of determining the population was exceedingly unsatisfactory, and we accordingly passed the Representation Act. One of the natural consequences of that Act was that if, in the enumeration of the population, it appeared that, according to law, the representation of a State was unsatisfactory, a Commission should issue to constitute the electorates upon the basis of the evidence revealed by the statistical return. The honorable member for Gippsland was present upon the occasion in question, and consented to that step being taken. That course, I maintain, implied that as a consequence of the issue of a certificate a fresh distribution should take place. My predecessor in office, the honorable member for North Sydney, asked the Government to insert in the Act a provision to insure that effect should be given to the issue of the certificate. The honorable and learned member for Werriwa and the honorable member for Dalley were also insistent upon that point. They asked us whether we would cause a redistribution to be made upon the basis of the evidence disclosed by the statistical returns. I assured them that we would, and to-night we are endeavouring to redeem our promise. Since

the passing of the Representation Act we have secured the statistical returns, issued the proclamation ordering redistribution, and fresh Commissions have been issued, and the Commissions that had previously been issued were cancelled. We have had a fresh count of the electors made up to the 30th September, 1905, which was the latest information that we could obtain. All these steps clearly indicate that this House never contemplated, even if it were legally possible, that we should revive the reports of last year. It was understood that fresh Commissioners would be appointed. Since then, even the Electoral Act itself has been altered, because the boundaries of the State electorates have had to be taken into account by the Commissioners in coming to a decision. As a matter of law, I am inclined to think that we cannot revive these superseded schemes. At any rate, it is open to very serious question. Are we going to rest the electorates of the big State of Victoria upon a basis of doubtful legality? The intention of all the steps that have been taken by the Department was to put everything upon a definite basis, and I claim that in what we have done we have loyally given effect to the opinion of this Parliament. I ask the honorable member for Gippsland to bear in mind the serious nature of the difficulty to which I have already alluded. Even if we could legally adopt his amendment, I maintain that it would lead to very serious practical difficulties.

Mr. WILSON.—Cannot we legally adopt it?

Mr. GROOM.—I am inclined to think that we cannot. I have looked into the question, and, in view of all the facts that I have enumerated, I do not think any legal member of the House will say that it is not open to very serious doubt. I confidently ask honorable members to reject the amendment, and to assist the Government in giving effect to the redistribution proposed.

Mr. ROBINSON (Wannon) [8.25].—I am very glad that the honorable member for Gippsland has raised this question, because it is a matter of very serious import to the representatives of country electorates. As far as the Wannon division is concerned, it will make no difference to me which scheme is adopted, because the Commissioner appointed to make the redistribution recommended exactly the same boundaries

in 1905 that he has recommended in 1906. But when the question of representation was first discussed by this Parliament, it was laid down that there were differences between country and city electorates. Those differences arise from the scattered nature of the population in rural districts, and from the fact that the electors there experience a difficulty in getting into touch with political influences. They cannot come into contact with their representatives as rapidly and effectively as can the electors in the city divisions. To give an example, which I can verify by actual statistics, I may mention that whilst in many towns in my own electorate over 60 per cent. of those whose names appear upon the roll voted at the last election, in some of the more scattered country districts—owing to the difficulties attendant upon exercising the franchise—not more than 25 per cent. of the electors voted. In many cases it is impossible for the farmer and his wife to go to the poll at the same time. Consequently, in the country districts, we are faced with practical disfranchisement, and the only way in which that difficulty can be overcome is by making a difference between the number of electors in city constituencies and the number in country divisions. Under the proposed scheme, the electors in the city divisions average about 29,000, as against 27,000 in the country constituencies. That is to say, the proportion is as 29 to 27.

Mr. TUDOR. — Will the honorable and learned member give the other figures?

Mr. ROBINSON.—I am prepared to quote a good many figures. Under the proposed scheme the proportion of electors as between the city and country constituencies is as 29 to 27. That represents almost equal electorates. When we turn to the scheme which was proposed last year, we find that under it the proportion was as 32 to 25—a very considerable difference, and one which allowed for a proper representation of country interests. Under the proposed redistribution scheme the Commissioner has practically increased the difficulty under which country electorates labour. The whole change that is contemplated will fall upon the rural divisions with redoubled force. I do not object to Victoria losing one of her representatives. It seems to me absolutely necessary that she should do so. But I do claim that, in the redistribution scheme that is now proposed, the loss should not fall

entirely upon the country districts. The objections which have been urged against the amendment will not hold water for a moment. It must be recollected that this scheme was not in the hands of the departmental officials until about the 20th May last. Consequently, the only work which they have been able to perform has been accomplished between that date and the present. Moreover, in some of the electorates no change in the boundaries has been made. If the amendment be adopted, the only cases in which work will require to be done again will be those isolated ones in which there are towns on the borders of two constituencies. That work would no doubt be considerable, but with the assistance of half-a-dozen extra hands this objection could easily be overcome in a very short time. There is no reason why the Department should not take the 1905 scheme in hand to-morrow if the House decided to adopt it, and be ready for the next general election just as if we adopted the present scheme. The question as to the legality of the procedure need not trouble us. If there be anything at all in it the difficulty can be readily overcome by passing a Bill of one clause. But I do not think there is anything in it. The Minister who usually gives his legal opinions with great confidence was very timorous in his objections, and I think we may fairly assume that there is not very much in his contention when he adopts such a hesitating attitude. This is a question of the greatest interest to electors living in country districts, and if those who represent such electorates do not object to the redistribution we might as well say once and for all "bring in equal electorates." If, instead of a difference of one-fifth above or below the quota, we are to have one of only 7 per cent. between the quotas of town and country electorates, that difference can be wiped out without making any change so far as country electors are concerned, and we might as well do away with the section in the Act which was designed to protect country interests. I think that the honorable member for Gippsland is to be commended for the action he has taken—an action which is in accord with many others designed by him to protect the interests of country electors—and I sincerely hope that he will press his amendment to a division.

Mr. SKENE (Grampians) [8.34]. — I followed the arguments of the Minister

Home Affairs as closely as I could, but must confess that they did not impress me. He pointed out incidentally that there was no protest against the scheme; but I would remind him that there was practically only one raised against the last scheme submitted by Mr. Topp. That objection came from my own electorate, but the suggestion then made was not adopted. The division to which exception was taken remains in the scheme now before us, but no protest has been entered since it is useless to raise objection after objection when no heed is paid to them. I see no difficulty in the way of putting into operation the 1905 scheme, as compared with that now submitted, and I fail to recognise the force of the objections raised by the Minister. He spoke as if one scheme provided for twenty-three representatives for Victoria, and the other for only twenty-two.

Mr. GROOM.—No.

Mr. SKENE.—That, at all events, was the impression which I and others formed.

Mr. GROOM.—I said that as regards the scheme providing for a representation of twenty-two members we had already done a great deal of work which would have to be started afresh if we adopted the other.

Mr. SKENE.—I happened quite accidentally yesterday to enter the Electoral Office, and was there introduced to the gentleman who has just been appointed Chief Electoral Officer. I had not given any consideration to this matter, but in the course of conversation we thrashed it out, and I believe that the proposal made by the honorable member for Gippsland could be given effect to. As a matter of fact, supplementary rolls would be necessary under the scheme that the Government ask us to adopt.

Mr. GROOM.—Supplementary rolls would be necessary under any scheme. The difficulty relates not to supplementary rolls, but to the constitution of fresh polling places.

Mr. SKENE.—The polling places could be left as they are in the different divisions.

Mr. GROOM.—A main roll has to be adopted, and must definitely set forth the various polling places.

Mr. SKENE.—I have yet to be convinced that any difficulty would be experienced in giving effect to the amendment. If it were carried the necessary readjustment could speedily be made. I have a plan of my own electorate under the new scheme, showing the different polling places within it, and if it provides for polling

places for which Mr. Topp made no provision in his previous scheme, it simply rests with the Department to draw boundary lines around them. If the polling places in the one scheme are convenient for a certain number of electors, they will be found equally convenient in the other. Coming to the question of the difference between the size of town and country electorates, it has been suggested that these sweeping changes have been made by the Commissioner merely for the purpose of striking off some corners of electorates which stood in the way of a reasonable plan of distribution. But would any one seriously suggest that, in order to do this, it is necessary to have a difference of 10,720 electors between two divisions? Surely a margin of 1,000 or 2,000 would be sufficient to work upon in making such readjustments. The honorable member for Gippsland read from Mr. Topp's first report some very excellent reasons in support of its adoption, and all that can be said against it now is that a discrepancy of 361 votes in the electorate of Balaclava demands the alteration now proposed. In his first report, Mr. Topp almost went so far as to suggest that he had contemplated eliminating one of the town electorates. He told us that the electorates within the metropolitan area were drawn upon good natural boundaries, and that the division of the country into Federal constituencies had been made with the desire to secure greater community of interest, and so forth. What has he said in his second report? He has simply declared that it is necessary to depart from his first scheme in order to provide for the rapid movement of population, as illustrated in the case of the electorate of Balaclava. I think that the injustice which has been done to rural districts in this matter is greater than appears at first sight. We have no option but to submit to the loss of one representative of Victoria in this House. But what does that loss mean? I understand that in New South Wales the quota is 4,000 less than that fixed for Victoria, and that whilst New South Wales gets another member, each of its representatives represents 24,000 electors, as against 28,000 represented by the members returned by Victoria. The country districts of Victoria have to submit to the loss of two representatives, and the whole readjustment tends to the disadvantage of this State. We have lost a representative by a narrow majority, and New South

Wales has secured an additional one; the whole disability falls upon Victoria. The Minister has failed to show why the 1905 scheme should not be adopted. It would mean no alteration so far as the population is concerned; it would simply involve an alteration of the electoral areas. I can see no reason why the population could not be divided into the different areas suggested. I shall certainly support the amendment.

Mr. TUDOR (Yarra) [8.40].—I trust that the amendment moved by the honorable member for Gippsland will be defeated. That honorable member in his opening remarks advanced the reasons given by Mr. Topp in his report of last year, but the honorable member evidently overlooked something in that report. Mr. Topp states—

In a scheme of distribution I prepared last year I found it possible, and considered it best, to leave the existing number of metropolitan divisions unaltered, though this necessitated three of them having within a few hundred of the maximum number of electors, and required the exclusion of the Borough of Oakleigh from the metropolitan divisions. In the scheme I now submit I have increased the number of metropolitan divisions to nine; the number of country divisions is, therefore, reduced to thirteen. I found it necessary to make this change so as to include in the metropolitan divisions all the State metropolitan electorates, and also Brighton, and thereby to include in them all the suburbs of Melbourne, such as Sandringham and Oakleigh, the majority of whose residents carry on business or other occupations either in Melbourne proper or in the adjacent cities of Fitzroy, Collingwood, Richmond, &c., and while including these suburbs, yet leave a sufficient margin below the maximum number of voters.

Now, this is what the honorable member overlooked—

I may mention, as illustrating the rapid movement of population which sometimes occurs, that though, in the scheme I submitted last year, the number of electors in the division Balaclava was 361 below the maximum number, the electoral population had increased in last September to 454 above that maximum number, and to 361 above the legal maximum for the present distribution.

If the honorable member's amendment is carried there will have to be a fresh distribution, because, according to Mr. Topp's report, the electorate of Balaclava is above the average allowed by the present Act. Honorable members of the Opposition are, some of them, apparently anxious to have the divisions of 1905 adopted, and the honorable member for Gippsland has stated that the country has 40 per cent. more population than the towns, and that the former is not represented in the Senate. I desire to congratulate the farmers of Wan-

non on their farming representative. The honorable member for Wannon is a barrister, or solicitor, or some sort of legal gentleman from Collins-street or Chancery-lane. No doubt, the honorable member is a good farmer—he farms the people—he is a shearer of the shearers. The proposal so much favoured by the honorable member for Gippsland would bring about the magnificent result that in the Bourke electorate there would be 33,400 electors, and in the Wimmera electorate only 22,727.

Mr. McLEAN.—Look at the size of the electorates.

Mr. TUDOR. — They are small compared with the electorate of Coolgardie or the electorate of Maranoa; but as these are represented by labour members I suppose it does not matter. I am sure that the honorable member for Maranoa would not approve of the electorate of Bourke containing 50 per cent. more electors than does the electorate of the Wimmera. Since these figures were collected the population of the country electorates has gone down. In 1905 the country electorates contained 354,000 electors as against 351,000 at the present time, while a similar contrast in the case of the town electorates shows 260,000 electors in 1905 as against 264,000 now.

Mr. McLEAN.—The country will be depopulated if Parliament continues to pass the kind of legislation which the honorable member favours.

Mr. TUDOR.—If the party which the honorable member supports in the State Parliament keeps on driving the people out of the country districts the State will be depopulated. That depopulation cannot be laid at the door of the Labour Party.

Mr. McLEAN.—The party in the State House are driving the people out of the towns.

Mr. TUDOR.—Not out of the towns, because there are more electors in my constituency than there were when I first represented it.

Mr. PAGE.—More's the pity.

Mr. TUDOR.—I too should like to see the people going into the country, but as a fact they are being driven off the land. No doubt if the honorable and learned member for Wannon were to repeat his political history, and advocate the land tax as he did before—

Mr. ROBINSON.—I never advocated a Federal land tax.

Mr. TUDOR.—That is because the honorable member had changed his side before Federation came about—that is the only reason.

Mr. ROBINSON.—That is false.

Mr. SPEAKER.—I must ask the honorable and learned member for Wannon to withdraw that statement.

Mr. ROBINSON.—I withdraw the statement, and say that seven years ago, before Federation, I opposed a Federal land tax. The honorable member for Yarra knows that, and he is repeating what is not correct. I do not think that is fair fighting.

Mr. TUDOR.—I accept the honorable member's withdrawal, but I say that before he turned his political coat he advocated a land tax, and lectured on that subject in the South Melbourne market on Saturday nights. I am sorry the honorable member for Wannon takes my remarks so much to heart. The honorable member and myself are very good friends—

Mr. ROBINSON.—I do not like misrepresentation.

Mr. TUDOR.—It is not misrepresentation. If the views held then by the honorable member for Wannon were held by the majority of the people to-day, and there was an effective land tax, there would be more people in the country than in the towns. If we went back to the scheme of 1905, as advocated by the honorable member for Gippsland, we should give certain town electorates 50 per cent. more voters than there are in certain country electorates, and one of the town electorates would be above the maximum as provided by the Act. The honorable member for Gippsland has surely overlooked the fact that there would then have to be a fresh distribution. I admit that the present distribution deprives me of three-eighths of my electors. I am very sorry to lose the support of a lot of good people at that end of my electorate, but no doubt they will support some one else, and I only hope that may be some one belonging to the same party as myself. The electorates of Ballarat, Bendigo, and Corio, while not city electorates, are not purely country electorates. No honorable member on the other side of the House will contend that these are country electorates. If we go back to the scheme of 1905, eleven country members will represent 275,000 electors, and eight town members will represent 260,000 electors; that is, 15,000 electors will return three extra mem-

bers. That, apparently, is what some honorable members of the Opposition desire.

Mr. McLEAN.—That would be well within the margin the House has already prescribed.

Mr. TUDOR.—I admit that that is so, except in the case of Balaclava, for which there would have to be a fresh distribution. There cannot be a fresh distribution for all the electorates.

Mr. McLEAN.—That is only one electorate

Mr. TUDOR.—But that would upset the scheme. In view of the changes of population which are taking place, and which appear likely to continue, the metropolitan electorates will grow whilst the country electorates will become, to a certain extent, depopulated. I deplore this condition of affairs, and, with others of the party to which I belong, have done my utmost to bring about what we consider would be a remedy for it. So far, we have not been successful, but we hope to be successful in the very near future. The honorable member for Dalley stated that if we were to adopt this particular scheme for Victoria it would bring the country and town electorates in this State more nearly to a position of equality. In the New South Wales scheme of division which we have adopted, the disproportion of voters between the smallest country electorate of Barrier and the largest metropolitan electorate of Dalley, comprising portion of the old Dalley and West, Sydney electorates is 6,500, and there is a difference of 300 voters between the electorate formed of a part of Illawarra and the electorate formed of parts of Wentworth and of South Sydney. There are no two electorates, metropolitan and country, under the Victorian scheme of division, in which the numbers in each are so nearly equal. I admit that I am including amongst metropolitan electorates Ballarat, Bendigo, and Corio, though the honorable and learned member for Corio may not think that I am justified in that.

Mr. CROUCH. — Of 28,000 electors in Corio 16,000 are country electors.

Mr. TUDOR.—Does the honorable and learned member mean to say that there are only 12,000 town electors, including those in Geelong, in the Corio electorate?

Mr. CROUCH.—Yes.

Mr. TUDOR.—That may be so, but we might find that the same thing applies to the electorate of Newcastle in New South

Wales. Honorable members opposite can advance no reason to induce the House to vote for the amendment proposed without going back upon the decision that they have already given this afternoon in respect of the three schemes of division which we have already adopted.

Mr. KENNEDY (Moir) [8.53].—I desire to say a few words in regard to this proposal. I understand that the honorable member for Gippsland has moved an amendment on the motion to the effect that the scheme now submitted should be set aside, and a scheme which took shape some twelve months ago, but was never placed before the House, should be accepted in its stead. If it were not for some Acts which were placed upon the statute-book during last session I could quite understand the honorable member's attitude. But in view of the amendment of the Electoral Act, and another Act passed in the last session of this Parliament, the only alternative which we have on this occasion in dealing with the motion submitted to the House is to accept or reject the proposed scheme. As I stated a few nights ago, the rejection of the proposed scheme would place me in a position I am not prepared to face, that of claiming for Victoria, at the ensuing elections more representation than her population entitles her to.

Mr. McLEAN.—The amendment proposes the substitution merely of one plan for another, and both make provision for only twenty-two members.

Mr. KENNEDY.—Both make provision for twenty-two members, but my information is that if this proposal is rejected there will not be the slightest possibility of any other being put into shape in time for the ensuing general elections.

Mr. McLEAN.—The Government have only had this proposal before them for a fortnight, and they do not move so rapidly as to have done very much to give it effect in that time.

Mr. GROOM.—We have had this scheme before us for six or eight weeks.

Mr. KENNEDY.—The proposal now submitted was published early in April.

Mr. McWILLIAMS.—Practically, the Department has not yet commenced work on the scheme now proposed.

Mr. KENNEDY.—I have made inquiries, and have been informed that the Electoral Department is going on with its work,

on the supposition that Parliament will accept the present proposal.

Mr. McLEAN.—For the last fortnight.

Mr. KENNEDY.—For the last two months, if not more. If the Electoral Department had not acted upon that supposition, it would not have been possible to give effect even to the scheme now proposed in time for the next elections.

Mr. McLEAN.—The honorable member is mistaken. I made inquiries before I moved the amendment, and I found that there would be no difficulty at all in giving it effect.

Mr. KENNEDY.—I do not claim to know everything, but I have made careful inquiries on the subject, because I was asked to express an opinion in a portion of my electorate shortly after the publication of this scheme, and the issue of the maps, early in April. I made inquiries at the Electoral Office at that time, and more recently from the Minister in charge of the Department, and from the information I have received I am confronted with the fact that if I oppose the scheme now proposed, the only alternative will be to fall back upon the existing conditions for carrying out the next elections, and that I am not going to do.

Mr. SKENE.—The honorable member is not asked to do that.

Mr. KENNEDY.—It is all very well for honorable members opposite to say that we are not placed in that position, but we have taken the opinion of the Minister, flag swerable to Parliament, and to the daunted monwealth, on the subject. It keep me

Mr. WILSON.—We have destroyed orable and learned gentlemen'g it into three. he is very uncertain at on will be carried, himself.

Mr. KENNEDY.—I have his object. I opinion, the Minister, that the veterans to whatever in giving and will vote for labour clusions at which what circumstances they the Minister will on to exercise the fran- other scheme, and support the great cause on the basis of and will always be in favour liament last sesure representation.

I shall be no ON (Corangamite) [9.12].— division now ad to be able to support the

Mr. WILSON.—So far as my electorate is will permit a new scheme of distribution sake of the able than the old one. There-

Mr. KENNEDY.—I have been swayed by personal con- which is not' should support the motion, though the the amendment. I feel, however, are only nommissioner's first proposal

under his scheme for the division of Victoria, in my opinion there are eleven, because I class Bendigo and Ballarat, having a larger number of urban than of rural electors, as metropolitan electorates. In that view the scheme provides for eleven metropolitan electorates and eleven rural electorates, classing Corio as a rural electorate. I am informed, on the best authority, that in that division there are 16,000 rural and 12,000 urban electors. The actual figures show that the eleven metropolitan divisions comprise 321,000 electors, whilst the eleven rural divisions comprise 294,000 electors. The rural districts, therefore, on the proposed basis, have an average representation of one member more than they are entitled to, assuming an equality of value for votes. That proves that there is not the injustice supposed to be perpetrated on the rural districts in this State that is alleged by some honorable members. Under the present proposal, including Bendigo and Ballarat amongst the metropolitan districts, the average number of voters for each representative in the metropolitan districts is 29,300, and in the rural districts 26,800. That gives an average of 2,500 electors more per representative to the metropolitan electorates than to the rural electorates. Seeing the condition of Victoria at the present time, and the facilities afforded to electors in this State to make representations to Parliament, as compared with those in the more distant States, I can see no reason whatever in the scheme now submitted by the Government. I ask hon. members to compare the advantage, and one of the end-point of the representation above the maximum electors in the most remote. The honorable member with the disabilities surely overlooked this must labour in Western Australia. Queensland. Legis- admit that the present effect the people of me of three-eighths of Australia may go very sorry to lose the support the knowledge good people at that end of Queensland or but no doubt they will suffer. else, and I only hope that they are not squealing belonging to the same party as the electorates of Ballarat, I Corio, while not city electorates, they are very purely country electorates. No, too. member on the other side of are fairly will contend that these are country electorates. If we go back to the scheme, eleven country members will be returned in the 275,000 electors, and eight town electors. The Bill will represent 260,000 electors: opposed the 15,000 electors will return three to arrive

at an adjustment, but I stated that, when a determination was come to in the matter, and embodied in the law, I would not oppose the results flowing from it. I should place myself in an absolutely false position if I were to vote against the present motion, and would risk the possibility of it being stated that I, a Victorian representative, had voted for an amendment to give Victoria more representation than she is justly entitled to.

Mr. SKENE.—We do not suggest that.

Mr. KENNEDY.—I have it on the authority of the Minister that that is the only alternative.

Mr. SKENE.—The Minister has not said so to-night. He is doubtful about it.

Mr. KENNEDY.—I am not going to repeat what I have said. I wish, in conclusion, to direct attention to this phase of the question: It may pertinently be asked why the Commissioner who made a distribution twelve months ago has now made a different distribution. He gives his reason. Before the Electoral Act of 1905 was passed, a Ministry could, whenever it thought fit, come down with proposals for redistribution; but redistributions are now provided for by law, and it is enacted in the Act of 1905 that whenever, in one-fourth of the divisions in a State, the number of the electors differs from the quota to a greater extent than one-fifth more or one-fifth less, a readjustment must be made, and therefore the Commissioner did not feel justified in getting too near to the maximum or the minimum in any division.

Mr. MALONEY (Melbourne) [9.4].—The honorable member who preceded me made a good point when he spoke of the saving of expense that would be effected by adopting the proposal of the Government, instead of the amendment. As an old member of the State House, it occurred to me, when the honorable member for Gippsland said that he did not want an advantage for the country at the expense of the town, that, although he was Premier, Minister, and member of the Victorian Legislature for something like twenty-three years, a single instance cannot be recalled—and I say it in all good temper—of his having tried to wipe out the infamy which still attaches to the State representation. When he was in the State House, Castlemaine returned two representatives, while Flemington and Essendon, which contained four times as many electors, returned only one, the present Prime Minister; so that a

voter in Castlemaine had four times the voting power of a voter in Essendon. I cannot remember that the honorable member for Gippsland ever fought against that system, though the party of which I am a member has always declared that a vote should have the same value, whether the voter resides in a city or in the country.

Mr. McLEAN.—What is the value of a vote? Is it not the influence which attaches to it?

Mr. MALONEY.—The value of a vote is the value of the human being who gives it. Human life is the only thing which is of value. For that reason, the greater population of Victoria gives her a larger representation, although she is a mere mouthful of territory, than is given to Western Australia, which is ten times as big. If area counted, how could Victoria stand against Queensland, South Australia, or Western Australia?

Mr. McLEAN.—I do not regard area, but the influence which a vote exercises on the government and legislation of the country.

Mr. MALONEY.—The influence of the country members of Victoria has been directed towards obtaining a disproportionately large expenditure of public money in the country. Mr. Service, who was Premier of Victoria for many years, showed that clearly, to his eternal credit. The honorable member for Gippsland says that he does not ask for an advantage for the country as against the towns; but he cannot get it, because this House is established on too democratic a basis to permit any such infamy. I am glad and proud that, throughout the length and breadth of Australia, every human unit has the same political value, whether living in the town or in the country. But we could never get the idea into the bucolic intellects of the country representatives in the State Parliament, and those who have spoken on the other side were, with the exception of my honorable friend, supporters of the party which took away from part of the community their rights as citizens. I believe that Mr. Bent will, to his credit, soon reverse that action, although, if he does so, that little tin god, Mr. Irvine, will weep, put ashes on his head, and clothe himself in sackcloth. Why should not Victoria lose a member, and New South Wales gain a member, if the relative populations of the States make that fair? The land laws of New South Wales have been much better than those of Victoria.

Mr. WILSON.—In what way?

Mr. MALONEY.—Companies and individuals who could command money could get thousands of acres of the mallee country for 2s. 6d. a square mile; but when I moved that any head of a family should be allowed to get it at the same price, these gentlemen voted against me.

Mr. McLEAN.—When Minister for Lands, I passed a law preventing the aggregation of mallee lands. There is no similar law anywhere else in Australia.

Mr. MALONEY.—That was a good action, and I acknowledge it, as I acknowledge another statesmanlike act in regard to the wiping out of the power of the Upper House which Mr. Irvine allowed to be reversed. The honorable member understands my allusion to action taken in connexion with the Factories Act. If the amendment were adopted, I should have a better chance of retaining my seat than if the distribution now proposed were approved of. That consideration, however, does not weigh with me against what I conceive to be the fairness of the Commissioner's latest recommendations.

Mr. McLEAN.—I could not have a better proposal than that now made by the Commissioner—it suits me admirably.

Mr. MALONEY.—In that case honours are easy, and perhaps the honorable member will withdraw his amendment. I regret deeply having to leave behind me the veterans who stood by me for nineteen years. They always kept the flag of labour flying, and they were not daunted when Mr. Irvine, who could not keep me out of the House by fair means, destroyed my constituency by dividing it into three. I feel sure that the motion will be carried, and that the honorable member for Gippsland will fail to achieve his object. I am certain, moreover, that the veterans to whom I have referred will vote for labour no matter under what circumstances they may be called upon to exercise the franchise. They will support the great cause of democracy, and will always be in favour of fair and square representation.

Mr. WILSON (Corangamite) [9.12].—I am very glad to be able to support the amendment. So far as my electorate is concerned the new scheme of distribution is more favorable than the old one. Therefore, if I were swayed by personal considerations I should support the motion, rather than the amendment. I feel, however, that the Commissioner's first proposal

was a fairer one in every way so far as the residents in the country districts are concerned. The honorable member for Yarra referred to the very large electorates represented by the honorable members for Kalgoorlie, Coolgardie, and Maranoa, and I wish it to be understood that I have every sympathy with the electors resident in those divisions. I recognise that it is almost impossible for the honorable members who represent such large electorates to reach every portion of them, and that their electors labour under great disabilities. In considering a matter of this kind we should not allow our minds to be influenced by the class of representative that is returned for a particular division—whether he be a member of the Labour Party, a Ministerial supporter, or a member of the Opposition. We have to consider the desirability of giving the electors equal facilities for recording their votes, and for coming into contact with their representatives, and insuring that their interests shall receive due attention in Parliament. The honorable member for Yarra quoted certain figures, and boasted of the action which his party had taken with a view to securing equal representation for both town and country. I should like to remind him that on a previous occasion when the question of redistribution was under consideration most of the members of his party voted against the proposal for reducing the discrepancies between certain metropolitan and country divisions in New South Wales. When it was proposed to redistribute the electorates in that State nearly all the members of the Labour Party voted in favour of retaining the Riverina electorate, which then had 15,993 electors, in preference to the proposed new division which would have contained 22,218 voters. At that time the Darling electorate had 14,168 electors, and it was proposed under the new plan of distribution to increase the number to 21,495. In marked distinction to these country electorates the metropolitan division of North Sydney had 38,589 electors, and the Parkes division 36,804.

Mr. KELLY.—Hear, hear. More than 100 per cent. in excess of the number of electors in the Darling and Riverina electorates, and yet the Labour Party voted in favour of retaining those anomalous conditions. That is what they call "one vote one value."

Mr. TUDOR.—The conditions in Victoria were worse still.

Mr. WILSON.—I think that the figures I have quoted show that the Labour Party did not, on that occasion, pay full regard to the principle of "one vote one value," to which they profess to attach so much importance. It must be recorded to the credit of the honorable member for Yarra and the honorable and learned member for West Sydney that they voted in favour of the proposed redistribution. But all the other members of the party voted in support of perpetuating a most iniquitous state of affairs. I think that it has been shown conclusively by the honorable member for Gippsland, the honorable and learned member for Wannon, and the honorable member for Grampians that the first scheme brought down by the Commissioner is preferable to that now before us. I notice that Ballarat and Bendigo, which are to a very great extent metropolitan constituencies, have electoral populations of 28,342 and 28,316 respectively, as against 28,180 in the proposed new electorate of Yarra. The Bendigo electorate embraces a considerable rural population, and the representative of that district would have to occupy some weeks in order to reach every part of his division. I admit that the number of electors in the Yarra division at present is grossly disproportionate, and that some alteration should be made: but the Commissioner has gone to the other extreme by allotting to the division a smaller number of electors than are contained in the proposed divisions of Ballarat and Bendigo. By the expenditure of a few pence on tram cars, or by holding one or two meetings, the honorable member for Yarra can reach the whole of his electors practically in one or two nights. But in the other case it takes weeks for a man to reach his constituents. In Victoria, Queensland, and Western Australia, it is practically impossible for some honorable members to reach their electors within a reasonable time. What chance, for instance, has the honorable member for Grey to reach those of his constituents who live in the northern portion of that electorate? Absolutely none! If the electors are to know how they are represented in Parliament, and what sort of men their representatives are, then at some time or other they should have the opportunity of meeting them. It is in every way desirable that the amendment should be carried, so that the older scheme of Mr. Topp may be adopted. It must be borne in mind that the two schemes were drawn

up by the same man, and after careful revision. Both are worthy of consideration from the House.

Mr. STORRER.—Second thoughts are the best.

Mr. WILSON.—Very often, as honorable members know, a man's best comes out in his first thoughts, and not in his second.

Mr. KENNEDY.—But the Commissioner, in his report, explains why he recommends the second proposal.

Mr. WILSON.—That is quite true, but on page 4 of his report he says—

Though in the scheme I submitted last year, the number of electors in the Division Balaklava was 361 below the maximum number, the electoral population had increased in last September to 454 above that maximum number, and to 361 above the legal maximum number for the present distribution.

That only exists in the case of one electorate, but it can be altered as easily as possible. The honorable member for Kennedy has said that it would be difficult to bring about the proposed alteration, and the Minister of Home Affairs has said that the work of re-arranging the rolls for the electorates has been proceeding upon the assumption that the new scheme would be adopted. Only a fortnight's work has been done in connexion with the rolls. When the rolls are pinned together, each polling place is represented by a roll. Therefore, if the amendment be adopted, it will only be a question of bringing the rolls together in a different form.

Mr. GROOM.—There is a great deal more than that involved in the adoption of the amendment.

Mr. WILSON. — The amount of work that has been done is very small indeed. If a reasonable amount of work had been done, we should not have had the Minister stating to-day, in answer to a question, that on account of the backward state of the rolls, it would be absolutely impossible to hold the general elections in October. By giving that answer, he really condemns himself out of his own mouth. If the rolls were so far forward as he now states, there would not be the slightest reason why the general elections should not be held in October. All the facts show that it is almost immaterial which scheme of distribution is adopted to Victoria.

Mr. GROOM.—The honorable member will remember that I stated that it was the Chief Electoral Officer's opinion, and that

it was based upon the assumption that we would adopt the scheme.

Mr. WILSON.—I quite understand that, but the Minister's reply to the question, and his statement with regard to the adoption of this scheme, are not consistent.

Mr. GROOM.—It is the statement of the Chief Electoral Officer.

Mr. WILSON.—In my opinion, the Minister is inconsistent in the action which he is taking with regard to this scheme. I sincerely hope that honorable members like the honorable member for Maranoa and others who represent large electorates will give country constituencies in Victoria the benefit of the first scheme by supporting the amendment.

Question—That the words proposed to be left out stand part of the question—put. The House divided.

Ayes	...	...	...	33
Noes	...	...	...	12
Majority				21

AYES.

Bamford, F. W.	Lyne, Sir W. J.
Brown, T.	Mahon, H.
Carpenter, W. H.	Maloney, W. R. N.
Chanter, J. M.	Mauger, S.
Culpin, M.	McDonald, C.
Deakin, A.	Page, J.
Ewing, T. T.	Ronald, J. B.
Fisher, A.	Spence, W. G.
Frazer, C. E.	Storrer, D.
Fuller, G. W.	Thomson, D.
Groom, L. E.	Tudor, F. G.
Hughes, W. M.	Watkins, D.
Isaacs, I. A.	Watson, J. C.
Kelly, W. H.	Webster, W.
Kennedy, T.	<i>Tellers:</i>
Lee, H. W.	Cook, J. Hume
Liddell, F.	Wilks, W. H.

NOES.

Cameron, D. N.	Salmon, C. C.
Crouch, R. A.	Skene, T.
Fysh, Sir P. O.	Willis, H.
Gibb, J.	
McLean, A.	<i>Tellers:</i>
McWilliams, W. J.	Robinson, A.
Phillips, P.	Wilson, J. G.

PAIR.

Wilkinson, J.	Knox, W.
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Question so resolved in the affirmative.

Amendment negatived.

Original question resolved in the affirmative.

DEATH OF MR. SEDDON.

Mr. SPEAKER. — I take this opportunity to read a telegram which I have received from the acting Prime Minister of

New Zealand in response to the telegram sent by me yesterday afternoon—

On behalf of the Government and people of New Zealand, I thank the House of Representatives of the Commonwealth of Australia for the honour it has done to the memory of our late Premier.—W. Hall-Jones, Acting Premier.

ORDER OF BUSINESS.

Mr. DEAKIN (Ballarat — Minister of External Affairs).—I desire, by leave, to move—

That on Tuesday, Wednesday, and Friday of each week until otherwise ordered, Government business shall take precedence over all other business, and that on each Thursday until half-past 6 o'clock until otherwise ordered, general business shall take precedence of Government business.

Mr. CONROY (Werriwa) [9.36].—I should like to ask the House whether it is not well for us to reconsider the position in relation to our days of meeting. In the past the House has sat four days a week. It is an absolute impossibility for any member to read through the whole of the Bills and documents relating to the business of the House, in order to understand what is being transacted, if we sit so often. There cannot be a better proof of that than is afforded by noting that most honorable members are absent half the time. From the administrative point of view I fail absolutely to understand how the work of Ministers can be got through when Parliament sits four days a week.

Mr. DEAKIN.—They do a great deal of the work here.

Mr. CONROY.—That accounts for the absence of Ministers from the Chamber. They cannot be doing both administrative work and their parliamentary work at the same time. Are we not in our present practice acting against all sound canons of government? If a Parliament is to do its work properly it must give proper consideration to the business before it. I say positively that there has not been an Act passed by this Parliament during the past five years that has not been amended or does not require to be amended. The reason is not far to seek. If a Parliament sits four days a week arguing about matters it cannot be thinking over them, reading up in relation to them, and digesting the subjects with which they deal.

Mr. SPEAKER.—I point out to the honorable and learned member for Werriwa that the motion simply has relation to de-

termining which days shall be set apart for Government business, and which shall be set apart for general business. The question whether we shall sit so many days a week was determined last week, when it was resolved that, until otherwise ordered, the House shall sit on Tuesdays, Wednesdays, Thursdays, and Fridays. I must, therefore, ask the honorable and learned member to confine himself to the question as to Government and general business taking precedence on particular days.

Mr. CONROY.—I think I can put myself in order by pointing out that, in my opinion, Government business should be transacted only on three days a week, and that on the fourth day general business should be transacted by those honorable members who desire to stay here for the purpose. If that is resolved upon, honorable members, I think, will find a difficulty in inducing the Government to go on with general business on the fourth day. I suggest that, under the circumstances, the Government should recast the whole scheme, and consider whether it is wise for us to be sitting more frequently and longer hours than any other Parliament in the world. I say unhesitatingly that, by meeting three days a week, we shall be sitting quite as frequently as we can if we are to be prepared to discuss the measures brought before us. As it happens, we are all falling into a confession of ignorance on the subjects brought before the House. If one asks a member a question about any business before the House, he generally says, "I do not know anything about it, do you?" The answer usually is, "No, I do not." A state of affairs like that is not a good, healthy one. Legislation ought to be slow, because we are dealing with matters affecting the whole country. We do not know how many thousands of persons may be affected by our Acts. More especially is there a need that careful consideration shall be given to measures on only three days per week when we recollect that almost every one of the Bills brought before Parliament in some way or other tends to restrict the liberty of a large number of our fellow-citizens—whether for good or ill is a matter for argument. The whole trend of legislation as introduced in this House is to limit the power of our fellow-citizens and their freedom in some form or other. Consequently the greatest deliberation is required. That deliberation, unfortunately, is not now given. I shall

not move an amendment upon the motion, but I would ask honorable members to recollect that in sitting here eight or ten hours a day four days a week they must not think that they are doing the work of the country. They are doing nothing of the sort. They are only meddling unnecessarily, as a rule. If we can get a body of men in this House who have thought out the questions to be submitted for their consideration prior to meeting here, I maintain that three days a week will be quite sufficient to devote to the transaction of Government business. Certainly it is as much as is compatible with sound administrative work by any Executive.

Mr. JOSEPH COOK (Parramatta) [9.41].—Personally, I think that no obstacle ought to be interposed just now which would in any way interfere with the transaction of the business remaining to be done during this session. We have been told by the Government, for example, that many of the industries of Victoria are languishing for want of a little parliamentary attention, and I have no doubt that the Prime Minister will give every possible consideration to that very important matter, affecting as it does so profoundly the existence of many of the industrial concerns of his own State in particular. Doubtless with a view to that end, he will seek to facilitate in every way the consideration of the matters upon which the Tariff Commission has reported. Then there are some other questions of first rate importance, which require to be dealt with this session, including financial matters, and the very important question of the continuation or the cessation of the book-keeping system, which affects one State very particularly, and three or four others in a lesser degree. I think that the Government should be given the fullest latitude as to time and opportunity for the discussion of these very important subjects. But I would again call attention to the fact that the Ministry should at the earliest possible moment deal with matters which are of first importance, and upon looking at their programme, and perusing their declared intentions, I confess that I do not see any sign of an attempt being made to deal with first things first. However, I shall be glad to hear the Minister for Trade and Customs upon that question: when we are called upon to deal with his Anti-Trust Bill.

Sir WILLIAM LYNE.—Does not the honorable member think that that is a very important Bill?

Mr. JOSEPH COOK.—I shall be very glad to hear the honorable gentleman make out a case that it is a measure of first rate importance. If he is able to show us that it is of more importance than the reports of the Tariff Commission I shall listen with attention. Honorable members upon this side of the Chamber are anxious to facilitate the consideration of the matters I have mentioned early this session, and to give the fullest attention to the recommendations of the Tariff Commission.

Sir WILLIAM LYNE.—Will the honorable member give us a new Customs Tariff?

Mr. JOSEPH COOK.—I am sure that the Minister of Trade and Customs is quite willing to rip up the Tariff from A to Z, and if he had his own way he would be prepared to discuss any matter which related to the conferring of favours upon any section of the community, but particularly those sections which are always appealing to Governments for further consideration to be extended to them. That is a line in which he has taken particular stock throughout his whole political career, and to-day he is only acting consistently in seeking to dole out from the Treasury more financial favours to whoever may come along.

Mr. MAUGER.—How does the honorable member make out that protection does that?

Mr. JOSEPH COOK.—I am not speaking of protection just now. Every opportunity for consideration will be given by honorable members upon this side of the House to those matters which the Government have declared to be urgent, in the hope that we may speedily get through the work of the session, so that the great appeal to the country may be made at the earliest possible moment.

Question resolved in the affirmative.

Motion (by Mr. DEAKIN) agreed to—

That on Thursday in each week, until otherwise ordered, general business shall be called on in the following order, viz.:—On one Thursday, Notices of Motion, Orders of the Day; on the alternate Thursday, Orders of the Day, Notices of Motion.

ADJOURNMENT.

Mr. DEAKIN (Ballarat—Minister of External Affairs) [9.53].—In moving—

That the House do now adjourn.

I have to express my obligation to honorable members upon all sides of the Chamber

for assisting us to dispose of the Address-in-Reply so satisfactorily, and to make a start upon the real business demanding our attention. I hope that our good beginning will be continued to-morrow, and for the rest of the session.

Question resolved in the affirmative.

House adjourned at 9.54 p.m.

Senate.

Thursday, 14 June, 1906.

The PRESIDENT took the Chair at 2.30 p.m., and read prayers.

COMMITTEE OF DISPUTED RETURNS AND QUALIFICATIONS.

The PRESIDENT.—Pursuant to standing order No. 38, I hereby appoint the following senators to be the Committee of Disputed Returns and Qualifications:—Senators de Largie, Dobson, Macfarlane, Sir J. H. Symon, Walker, Neild, and Styles.

Senator MILLEN.—May I ask you, sir, for my information whether in view of the amending Electoral Act this is now necessary.

The PRESIDENT.—The standing order provides that it shall be done. The Committee has certain powers—undoubtedly very limited compared with what it formerly had—but there are certain questions which, if they arise, it has to decide.

TEMPORARY CHAIRMEN OF COMMITTEES.

The PRESIDENT. — Pursuant to standing order No. 31, I hereby appoint Senators Dobson and Neild a panel to act as Temporary Chairmen of Committees when requested so to do by the Chairman of Committees, or when the Chairman of Committees is absent.

PAPERS.

Senator PLAYFORD laid upon the table the following papers:—

Immigration Restriction Act 1901.—Return of—(a) Persons refused admission to the Commonwealth during the year 1905. (b) Persons who passed the Education Test during the year 1905. (c) Persons admitted without being asked to pass the Education Test during the year 1905, together with explanatory notes. (d) Departures of coloured persons from the Commonwealth during the year 1905.

Naturalization Act 1903.—Return of the number of persons to whom certificates of naturalization were granted during the year 1905.

Ordered to be printed.

Senator PLAYFORD (South Australia—Minister of Defence) [2.35].—I beg to lay upon the table the following paper:—

Natal Court-Martial Cases.—Cablegrams between the Prime Ministers of the Commonwealth and New Zealand and the Secretary of State for the Colonies on the subject of reported intervention by the British Government in the administration of a self-governing colony.

I understand that the paper has been printed by order of the other House, so that there is no necessity for me to submit a motion. The papers I am tabling are all printed, I think.

Senator MILLEN (New South Wales) [2.36].—May I, sir, be permitted to draw your attention to the fact that this document was presented to the other House some time ago. Surely the least which the Government can do is to present papers of this kind simultaneously to the two Houses. The Minister is quite right when he says that these papers are all printed. I have had the opportunity of perusing the last paper he tabled as printed by direction of the other House. I may be wrong, but I am under the impression that all these papers were tabled there last week.

The PRESIDENT.—I would call the attention of the honorable senator to the fact that there is no question before the Senate. If I put the motion that this document be printed, he will be in order.

Senator MILLEN.—I move—

That the document be printed.

I have only risen, sir, to draw your attention to this as one of the many little things which are happening and which suggest to me that the Government does not recognise, as I think it ought to recognise, what is due to the Senate.

Senator PLAYFORD (South Australia—Minister of Defence) [2.37].—If the honorable senator will reflect he will remember that the Senate met on Thursday last, but not on Friday, when the other House did meet. I believe that these papers were laid upon the table of the other House on Friday. The Senate met again yesterday, but did no business. This is the first opportunity I have had since the opening of Parliament to lay the papers upon the table of the Senate. In the other branch of the

Legislature an earlier opportunity occurred, which, of course, was taken advantage of by the Government.

Question resolved in the affirmative.

Senator PLAYFORD (South Australia—Minister of Defence) [2.38].—I believe that all these papers have been printed, and I only moved my first motion in order to be perfectly sure, thinking, after having looked through the papers, that they were of sufficient public interest to warrant their being printed. I am not sure whether they have been ordered to be printed by the other House; but no harm is done by submitting a motion here, and its being passed. I beg to lay upon the table the following paper:—

Reports of Board of Inquiry in connexion with charges made in the House of Representatives against Major James Clarence Hawker, R.A.A.

The reports are in print, therefore I shall not move that they be printed.

Senator HIGGS.—Does the document include the minority report?

Senator PLAYFORD.—Yes, both reports.

Senator Col. NEILD (New South Wales) [2.39].—The Minister says that he does not intend to move that the reports be printed, and states that they are in print. Am I in order, sir, in asking a question?

The PRESIDENT.—There is no motion before the House.

Senator Col. NEILD.—Perhaps I can put myself in order by moving a motion, and, if necessary, asking leave to withdraw it. I move—

That the reports be printed.

It would appear from the morning press that the majority and minority reports are included in this set of papers, but that the evidence on which they have been based has not been printed by the order of another place. While I do not wish to be understood as cavilling at the result of the inquiry, or the views embodied in the two reports, in respect of which there does not appear to be any very material difference, it does appear to me rather unsatisfactory to give us only the reports without any knowledge of the material on which they are based. It may be that they are so strictly in accordance with the evidence that there is nothing to be said in favour of the printing of the evidence, but in a general way, when reports are submitted, I hold that the evidence upon which

they are based should be printed too, because it is extremely possible that on some day or other reports will be presented of a character which do not possess appositeness with the evidence on which they are based. Every man who has sat in Parliament for any length of time knows that it not unfrequently happens that reports are prepared and agreed to in a hurry, and that occasionally the finding is not in agreement with the body of the report. I know that such a document was presented to the Senate on one occasion.

Senator HIGGS.—Name.

The PRESIDENT.—The honorable senator ought not to pursue this line of argument.

Senator Col. NEILD—I do not desire to refer to any particulars, but to point out that there are such cases, as every man with parliamentary experience knows. It is desirable that the evidence should accompany any report that is presented. That is the rule in connexion with the reports of all Select Committees, and also of Royal Commissions, and I know no good reason why the evidence taken by a Board, which is supposed to be the foundation of the report, should not also be printed.

Senator MULCAHY.—Does the honorable senator wish to load up the records of Parliament with the evidence concerning every trumpery case which comes along?

Senator MILLEN.—Who is to judge whether a case is trumpery or not?

Senator Col. NEILD. — A Chamber which attempted to differentiate — to say that in one case it is necessary that the evidence should be printed, and that in another case the evidence need not be printed — would be assuming a judgment upon the case without the facts being known. I think it is desirable that in this case the entire document be printed.

Senator PLAYFORD (South Australia—Minister of Defence) [2.43].—It will be recollected that a Board of Inquiry was appointed for the purpose of inquiring into certain charges which were laid against Major Hawker in another place. It sat with open doors, and took evidence in public. A very fair *résumé* of the evidence was printed in the press from day to day. The Government were furnished with a majority report and also with a minority report. In the first place, I did propose to have the whole of the evidence printed and laid before honorable senators, but when I consulted the Government

Printer I found that it would cost between £200 and £300. After having waded through the evidence I did not consider that it was worthy of that expenditure, because it would unnecessarily load up the volumes of parliamentary papers, and materially increase the amount of the printing bill. I have done the next best thing: I have laid the evidence upon the table of the Library, where it can be perused. If, after examination, honorable senators should think that it is of sufficient importance to warrant an expenditure of £300, I shall offer no objection to its being printed; but I think that under the circumstances I was perfectly justified in refusing to authorize the expenditure of so large a sum of public money upon the printing of evidence which I believed there was no necessity to print.

Senator Col. NEILD (New South Wales) [2.44].—For the reason which Senator Playford has given, and also because it has just occurred to me that this discussion is rather out of order at the present juncture, I ask leave to withdraw the motion.

Motion, by leave, withdrawn.

Senator PLAYFORD (South Australia—Minister of Defence) [2.45].—I beg to lay upon the table the following paper:—

Audit Act 1901.—Transfers in connexion with accounts of the financial year 1905-6.—Dated 12th June, 1906.

I believe that these papers have been ordered to be printed in another place, therefore there is no necessity for me to move that they be printed. I may add that all the papers I have laid upon the table to-day were presented to the other House on Friday last.

Senator KEATING laid upon the table the following papers:—

Post and Telegraph Act 1901.—Addition to Regulation 2—Statutory Rules 1905, No. 78; Repeal of Regulation 9, and substitution of new Regulation in lieu thereof—Statutory Rules 1905, No. 81; New Regulation 5A—Statutory Rules 1906, No. 17; Amendment of Regulation relating to commercial papers—Statutory Rules 1906, No. 18; Amendment of Regulations relating to commercial papers, insurance of parcels, and rectification of telegrams—Statutory Rules 1906, No. 26; Repeal of Regulation 1 and substitution of new Regulation in lieu thereof—Statutory Rules 1906, No. 27; Amendment of Regulation relating to printed papers—Statutory Rules 1906, No. 35; Amendment of Regulation 1—Statutory Rules 1906, No. 36.

Senator Col. NEILD (New South Wales) [2.46].—We shall, apparently, have no

record in the journals of the Senate of these papers being printed. It, therefore, becomes difficult to know whether a paper of the kind just laid upon the table has been printed or not. I think that a formal motion in our records, that a paper has been ordered to be printed, will give proof that a document is in existence in print, and will save senators the trouble of searching the records of the other Chamber to make a discovery.

The PRESIDENT.—If the papers have been printed and circulated amongst honorable senators, what more is required?

Senator KEATING.—I do not think that the papers just laid upon the table have been printed and circulated amongst honorable senators. They have appeared in the *Gazette*.

The PRESIDENT.—Any paper ordered by either House of the Legislature to be printed is circulated amongst members of both Houses.

Senator KEATING.—Oh, yes; but the papers just laid upon the table have not been ordered by either House to be printed.

The PRESIDENT.—That is another thing.

Senator Col. NEILD.—I move—

That the papers be printed.

Question resolved in the affirmative.

IMPORTATION OF MICROBES.

Senator MILLEN asked the Minister of Defence, *upon notice*—

If the Government has yet arrived at a decision as to the disposal of certain microbes which by proclamation it has directed shall be impounded?

Senator PLAYFORD.—The answer to the honorable senator's question is "No."

COMMERCE ACT: APPAREL.

Senator MULCAHY asked the Minister representing the Minister of Trade and Customs, *upon notice*—

1. Whether the goods referred to in section 15 of the Commerce Act as "Apparel" and "the materials from which such apparel is manufactured" include all goods, materials, and articles mentioned in Division V. of the Customs Tariff Act under the general heading "Apparel and Textiles?"

2. If so, will the Minister cause to be prepared and laid on the Senate table a list of all goods, &c., coming under this general description, compiled from the Official Guide to the Tariff and the records of Customs decisions?

3. In the event of the answer to question (1) being in the negative, will the Minister for Customs furnish a list of such goods as the Commerce Act is intended to apply to under the description of "Apparel, &c.?"

Senator PLAYFORD.—The answers to the honorable senator's questions are as follow:—

1. No.
2. No.
3. It is not considered advisable to attempt to issue a list of the kind, inasmuch as new articles of apparel are constantly coming into use; but it is proposed to consult the trade with a view to preparing a working definition of the term "apparel" for the guidance of the officers and the information of importers.

ASSENT TO BILLS.

Senator PEARCE asked the Minister of Defence, *upon notice*—

1. Has any message been received from His Excellency the Governor-General notifying his assent to the Sugar Excise Bill and the Sugar Bounty Bill? If so, when?
2. Has such message been communicated to Parliament?

Senator PLAYFORD.—The answers to the honorable senator's questions are as follow:—

- 1 and 2. His Excellency the Governor-General assented to the Bills referred to, a declaration of which fact was duly gazetted.

Senator PEARCE.—Arising out of the last question, I should like to ask the Minister of Defence whether it has not been the continuous practice since the inauguration of the Federal Parliament for the consent of the Governor-General to be communicated to both Houses of the Parliament; and, if that be so, why, in relation to the two Bills referred to, that practice was not followed?

Senator PLAYFORD.—I have not the information at my disposal to enable me to answer the honorable senator. If he will give notice of his question, I will look into the subject. The answers which I have given to-day were only put into my hand a short time ago, and I have had no opportunity of ascertaining whether the case is as the honorable senator has stated it to be.

PUBLIC SERVANTS: CIVIC POSITIONS.

Senator PEARCE asked the Minister of Defence, *upon notice*—

1. Have the Cabinet yet given consideration, as the Minister promised the Senate on 9th November, 1905, to the question of the Commonwealth Public Servants being allowed to hold seats on municipal and other governing bodies when elected, providing that it does not interfere with the performance of their duties?
2. If so, what decision has been arrived at?

[6]—2

Senator PLAYFORD.—The answers to the honorable senator's questions are as follow:—

1. Yes.
2. In accordance with section 79 (1) of the Commonwealth Public Service Act 1902, each application will be dealt with upon its merits.

The section, if I remember rightly, says that officers must get permission before they stand as candidates. Each case will be dealt with in the future on its merits.

Senator PEARCE.—That means that the Government has withdrawn the minute?

Senator PLAYFORD.—Practically it has been withdrawn. We are working now under the Act of Parliament.

MOUNT GAMBIER POST OFFICE.

Senator GUTHRIE asked the Minister representing the Postmaster General, *upon notice*—

1. Has an appointment been made in the general division in the Mount Gambier Post Office to fill the vacancy caused by the transfer of Mr. E. D. Senior?
2. If not, will promotion of one of the local officers be made, as there are several eligible who are in the receipt of £110 per annum?

Senator KEATING.—The Public Service Commissioner has furnished the following replies:—

1. No.
2. The claims of the local officers will be considered with others when the appointment is being made.

NAVAL AGREEMENT ACT.

Senator STYLES asked the Minister of Defence, *upon notice*—

Whether as agreed on between the United Kingdom and the Commonwealth of Australia under the Naval Agreement Act 1903:—

1. There are on the Australian Station—One first-class armoured cruiser, two second-class cruisers, four third-class cruisers, four sloops?
2. A Royal Naval Reserve consisting of 25 officers and 700 seamen and stokers?
3. Three vessels being used as drill ships, and one other vessel, manned by Australians and New Zealanders as far as procurable, paid at special rates?
4. Whether eight naval cadetships have been given annually to persons born in Australia?

Senator PLAYFORD.—The answers to the honorable senator's questions are as follow:—

1. No. The present composition of the Squadron is as follows:—
 - 1 first-class protected cruiser,
 - 3 second-class cruisers,
 - 5 third-class cruisers.
2. No. The numbers given in the last return received are 5 officers and 304 men.

In his report on the subject, the Naval Commander-in-Chief stated :—

“The recruiting of Australian seamen is, of necessity, very gradual, and it is not possible to at once fill up to the full numbers authorized, till those already serving have received sufficient training to allow of them replacing home-trained men.

“Also as the men of the Permanent Force complete their five years engagements they are free to join the Australian branch of the Royal Naval Reserve; it will therefore be seen that, to prevent subsequent excess in the numbers authorized, it is inadvisable to enter many more Royal Naval Reserve men from other sources.”

3. Yes.

4. Eight naval cadetships have been available, but applications have not been received for the full number; all that have applied have been accepted.

SESSIONAL ORDERS.

Motions (by Senator PLAYFORD) agreed to—

That the days of meeting of the Senate during the present session be Wednesday, Thursday, and Friday of each week, at the hour of half-past Two o'clock in the afternoon of Wednesday and Thursday, and at the hour of half-past Ten o'clock in the forenoon of Friday, unless otherwise ordered.

That on Wednesday, Thursday, and Friday during the present session, Government business take precedence of all other business on the notice-paper, except questions and formal motions, and except that private business take precedence of Government business on Thursday up to the tea adjournment, and that, unless otherwise ordered, private orders of the day take precedence of private notices of motion on alternate Thursdays.

Senator PLAYFORD (South Australia—Minister of Defence) [2.55].—Senator Millen has objected to the motion with regard to the suspension of sittings being taken as formal. That being so, I understand that as no business can be taken before the Address-in-Reply has been adopted, it is not competent for me to move that motion.

The PRESIDENT.—Standing order 14 says—

No business beyond what is of a formal character shall be entered upon before the Address-in-Reply to the Governor-General's opening speech has been adopted. Formal business which may be entered upon includes the fixing of the days and hours of meeting and the appointment of standing committees.

Senator Millen objected to the motion as to suspension of sittings being taken as formal, but it is a motion which, under standing order 14, can be brought up before the Address-in-Reply is adopted.

Motion (by Senator PLAYFORD) proposed—

That, during the present session, unless otherwise ordered, the sittings of the Senate or of a Committee of the whole Senate on sitting days other than Fridays, be suspended from 6.30 p.m. to 7.45 p.m., and on Fridays from 1 p.m. to 2 p.m.

Senator MILLEN (New South Wales) [3].—I wish to explain the reason why I objected to this motion going as formal. The matter is a very little one, and if I had had an opportunity, I should have put my views before the Minister in charge. When you, sir, called on the motion the only thing I could do was to object to it as formal. I know that the motion is one that we have previously adopted, but it leaves us without any machinery or provision should the Senate continue its sitting after the usual hour for breaking up on Friday afternoon. It is true that the Minister of Defence, by the indulgence and good offices of the Opposition, has not frequently been kept here after that time, but is conceivable that an occasion may arise which, in spite of the desire of the Opposition to assist in closing the business, may feel called upon to continue. In such case we would absolutely have to depend upon an understanding, or indulgence, some other means of arranging to discontinue the business at the ordinary dinner hour. It seems to me that one way of getting out of the difficulty would be to eliminate the words “other than Fridays”; which case, if the sitting were continued the ordinary sessional orders would provide for a dinner hour. I move—

That the words “other than Fridays” be out.

Senator PLAYFORD.—I have no objection to the amendment.

Amendment agreed to.

Question, as amended, resolved in affirmative.

Senator Col. NEILD.—I think there other notices of motion on the paper which might be taken as formal—private motions.

The PRESIDENT.—Standing order defines what is formal and what is not formal, and under that standing order, motions as those to which the hono- rable senator refers cannot be dealt with but we have disposed of the Address-in-

STANDING COMMITTEES

Motions (by Senator PLAYFORD) agreed to—

That a Library Committee consist of the President and

Matheson, Millen, Stewart, Styles, and Clemons, with power to act during recess, and to confer or sit as a Joint Committee with a similar Committee of the House of Representatives; three to be the quorum.

That a House Committee be appointed, to consist of the President, Senators de Largie, Fraser, Col. Neild, O'Keefe, Turley, and Stanforth Smith, with power to act during recess, and to confer or sit as a Joint Committee with a similar Committee of the House of Representatives; three to be the quorum.

That a Printing Committee be appointed, to consist of Senators Dawson, Findley, Guthrie, Henderson, Macfarlane, Pulsford, and Sir W. A. Zeal, with power to confer or sit as a Joint Committee with a similar Committee of the House of Representatives; three to be the quorum.

That a Standing Orders Committee be appointed, to consist of the President, the Chairman of Committees, Senators Best, Dobson, Lt.-Col. Gould, Playford, Pearce, Trenwith, and Sir J. H. Symon, with power to act during recess, and to confer with a similar Committee of the House of Representatives; three to be the quorum.

GOVERNOR-GENERAL'S SPEECH: ADDRESS-IN-REPLY.

Debate resumed from 7th June (*vide* page 12), on motion by Senator STYLES—

That the following Address-in-Reply be presented to His Excellency the Governor-General:—

To His Excellency the Governor-General.

MAY IT PLEASE YOUR EXCELLENCY:

We, the Senate of the Commonwealth of Australia, in Parliament assembled, beg to express our loyalty to our Most Gracious Sovereign, and to thank Your Excellency for the speech which you have been pleased to address to Parliament.

Senator STYLES (Victoria) [3.5].—I desire to thank the Senate for allowing me, on the last sitting day, to postpone my remarks until the present sitting. I shall be as brief as I can, and I hope to detain the Senate only a very short time. As a matter of course, if any honorable senator traversed the whole of the thirty-six paragraphs of His Excellency's speech, he would occupy a considerable period. So far as I am concerned, I look on the moving of an Address-in-Reply as a mere formal matter—as a courteous acknowledgment of the speech delivered by His Excellency, quite irrespective of what may be contained in the speech. We do not consider the speech at all binding; and there is not one member of this or the other Chamber who could say that he indorsed every item. As I say, I regard the Address-in-Reply as a courteous acknowledg-

ment—as an expression of loyalty to His Majesty the King.

Senator BEST.—Except that an amendment might probably mean a want of confidence motion, and there is nothing very formal about that.

Senator STYLES.—That is so. Doubtless the Address-in-Reply will vanish with the advent of elective Ministries. As to a want of confidence motion, I cannot help recollecting that on the 28th of June last we had a Governor's speech of only twelve words. The gentlemen who placed that speech in the hands of the Governor-General did not know the thing was loaded, and it went off at the wrong end, with most disastrous results to the occupants of the Treasury bench. If I recollect aright, the Ministers of the day were, to use a vulgarism, "flattened out"—they were hoisted with their own petard. We have heard a great deal about the three-party system, but I should like any one to point to a Parliament in Australia where there are not three parties. A lot of unnecessary rubbish is talked about the three-party system.

Senator WALKER.—There are thirty-six parties in this House.

Senator STYLES.—And there is one party of which I approve very much.

Senator Lt.-Col. GOULD.—Is that the Styles' party?

Senator STYLES.—For once Senator Gould has guessed correctly. If there are three parties in the House of Representatives, and the Government have not a majority, I wonder why the majority do not remove the Government from the Treasury bench. The very fact that the Government are occupying the Treasury bench contradicts the statement that they have not a majority, and any man in the street would arrive at that conclusion. In the State Parliament of Victoria, when I was a member, there were three parties. As Senator Best, who was a member of the State Ministry, will recollect, there was the Conservative opposition, and also the Labour Party—

Senator MILLEN.—What was Mr. Deakin growling about at Ballarat?

Senator STYLES.—I do not know; and I do not know what Mr. Reid is growling at, except that he is on the wrong side of the chamber. At any rate, so far as I am able to judge, the present Government have administered the departments very well. We do not hear many complaints

their administration during recess; at all events, I have nothing to complain about. I have no doubt that some of the honorable and learned senators on the Opposition side will fossick out some ground of complaint—they would not be here long if they did not complain, but would suffer an eclipse. His Excellency's speech mentions that we have entered on an era of prosperity. We all know that we have had three fine seasons, and we believe a fourth to be in view, and the State Treasurers seem to be afflicted with surpluses nearly all round. While we are congratulating ourselves on the riches poured on us by an allwise Providence, we are rather inclined to overlook the dreadful calamity which has overtaken our fellow beings in San Francisco. I am inclined to think that the speech of His Excellency might well have made some slight reference to that sad event. A whole city, the result of generations of busy brains and of tireless and industrious hands, has been laid in the dust at once. We might, at all events, have made a passing remark about that disaster, in order to show that we have some little sympathy for those who, after all, are really of the same flesh and blood as ourselves. In His Excellency's speech, we read—

The future of Papua has engaged earnest attention during the recess, and proposals for a new administration will be laid before you.

And not before time, from all I can see; and here I should like to make a suggestion, though I have no doubt no notice will be taken of it by the Minister of Defence. The Government have now the Constitution of New Guinea, and all that is required is a man to work the Constitution. Hitherto most positions of this kind have gone to men who have spent the best part of their lives as officers in the army. Such men are selected because they can teach niggers to stand at attention, and to pipe-clay their accoutrements, and because they are no longer of any use in the military forces, though they may be relied on to deal with men and keep them in their places. Or, perhaps, for such a position, a lawyer is selected, because he understands the crooked ways of law courts, though there are no courts in those countries. I am going to suggest to the Government that an ideal administrator of this Commonwealth territory would be a member of this Chamber, namely, Senator Staniforth Smith. In my opinion, we could not select a better man, and we have any voice in the selection.

for Styles.

Senator Staniforth Smith has made a complete study of such questions, about which he knows probably more than does any member of this Chamber.

Senator Col. NEILD.—A complete modern Marco Polo.

Senator STYLES.—Senator Neild may not approve of my views in this particular matter, though I hope he does. Senator Staniforth Smith is an Australian, in the very prime and vigour of his manhood, possessed of common sense, and a fair education, and I believe him to be a just man, and—what covers a great deal of ground—withal a gentleman. I am sure such an appointment would give general satisfaction throughout Australia.

Senator Col. NEILD.—Senator Styles must not think that my interjection was in opposition to the very able proposition he has submitted.

Senator STYLES.—I am glad to hear the honorable senator say so. I have not mentioned this suggestion to any one, but it struck me that we could not do better than appoint an Australian native to the position; and in my acquaintance, at any rate, I know of no more suitable man. I do not know whether Senator Staniforth Smith would accept the position; at any rate, I doubt whether I should do so if I were in his position and at his age. There is another item in His Excellency's speech with which I agree, namely, that which deals with the prospect of the Commonwealth taking over the Northern Territory of South Australia. I think that the sooner some arrangement can be come to between the Commonwealth Parliament and the Parliament of South Australia, with a view to transferring the 500,000 or 600,000 square miles of that Territory to the Commonwealth, the better it will be for Australia. I regard the Northern Territory as the weak spot in Australia, so far as our defences are concerned. It has been pointed out time after time that a Kalgoorlie to Port Augusta railway would assist in the defence of Perth, Fremantle, and the gold-fields of Western Australia. But in Western Australia they have what is as good as a railway, and a great deal better, namely, tens of thousands of stalwart young men, who, properly armed, could defend that State without requiring assistance from the east. But the same conditions do not exist in regard to the Northern Territory; and, in my opinion, that Territory should be trans-

ferred to the Commonwealth on fair and reasonable terms, and a railway constructed between Oodnadatta and Pine Creek. Then, if the States did not see their way clear to afford sufficient facilities for placing people on the land, the Commonwealth would have a large territory on which they might settle hundreds of thousands of people, and put them in a position to earn a living. His Excellency's speech also refers to an anti-trust measure, which it is proposed to submit to us. That measure is called one for the "preservation of Australian industries and the suppression of destructive monopolies." This proposed legislation has been, and will be, denounced on all hands, just as was the Commerce Act. But the Commerce Act is an accomplished fact.

Senator MULCAHY.—No, it is not.

Senator STYLES.—If any attempt be made to send delicacies from Chicago to Australia they will probably be blocked before they land. The proposed measure will, as a matter of course, be denounced by those interested in keeping such legislation back, and I can quite understand that action on the part of men whose living may be affected, although, of course, I do not regard such opposition as right. Canada has had to deal with the dumping question; and part of the object of the proposed measure is to prevent dumping. The Canadian method, as explained by the Minister of Finance of the Dominion, is very drastic. He said that if an article was declared at the Customs to be worth \$80, and it was found that in the country or place of origin—and this had special reference to the United States—the article was worth \$100, the duty was assessed, not on the value of \$80, but on \$100, the real value of the goods. Nevertheless, it was found that it did not prevent dumping. It was, therefore, proposed not only to charge duty on the real value, but to impose an additional duty, representing the difference between the declared and the true value.

Senator BEST.—Did he mean that the value at the port of import, and not at the port of export, should be taken?

Senator STYLES.—He meant that the real value at the place of origin, including, of course, carriage to the port of shipment, should be taken. Perhaps it would be as well to read the statement made by Mr. Fielding, who has been for ten years Minister of Finance in Canada, and is regarded as a thoroughly reliable and

honest man. The report sets forth that he said—

If the article is sold at \$80, and if the fair market value is \$100, under the law as it stands to-day you get your duty of, say, 30 per cent. on the extra \$20. Under what we now propose, you not only get the duty on the full \$100, but an extra duty, which means the \$20 itself. . . . The principle is that we will impose as a special duty the difference between the true value and the unfair value.

This step was to prevent dumping.

Senator Lt.-Col. GOULD.—I do not think it will help them very much.

Senator STYLES.—He pointed out that, as the result of this dumping, the producers who use agricultural and other implements might obtain their machinery at a low rate, until local competition had been killed, but that, as soon as that had been accomplished, prices would rise. To get rid of the difficulty he proposed to adopt the system to which I have just referred.

Senator BEST.—And he knows something about Tariffs.

Senator STYLES.—I was about to say that the people of Canada ought to know something about the question. Although the population of the Dominion totals only 5,000,000 or 6,000,000, the Government are not afraid of their powerful neighbour next door, with its population of 80,000,000, and do not hesitate to impose duties to protect their own people. I wish now to refer briefly to the question of the Tariff. We are told that there is a Tariff Commission roaming about the country, and I suppose we may take it that it was appointed by the late Government with a sincere and earnest desire that it should collect information for the guidance of this Parliament. At all events, a fiscal truce was proclaimed by the leader of the free-trade party. Mr. Reid's idea of a fiscal truce is rather a curious one. When the general election of 1903 was pending, he declared, "This is going to be the political fight of my life,"—by the way, he has had many fights of the kind—"I am going to fight the protectionists all along the line." He did so, and was hopelessly beaten. It was then that he declared for a fiscal truce. His attitude was very like that of a man who, when getting worsted in a bout at fisticuffs, cries, "Let us have a truce." Do honorable senators imagine that, had the result been different, there would have been

no spoils to the victors? Is it not reasonable to assume that had Mr. Reid been victorious the Tariff would have been submitted to Parliament for revision.

Senator MILLEN. — In that event Mr. Reid would have been entitled to take that step.

Senator STYLES.—Then how can objection be taken to the Tariff proposals now being brought forward?

Senator MILLEN.—Because Mr. Deakin appealed to the people to declare for fiscal peace. They affirmed that principle, and only by another act of treachery could he go back upon that decision.

Senator STYLES.—It was agreed that there should be a fiscal peace only until May of this year.

Senator Lt.-Col. GOULD.—No, it was to extend over the life of the present Parliament.

Senator HIGGS.—The Reid-McLean administration were to declare in May what their fiscal policy was.

Senator STYLES.—The rectification of Tariff anomalies was to be undertaken after 1st of May last. I feel satisfied, however, that Mr. Reid does not intend to allow the Tariff to be revised if he can help it, and that he is seeking to draw a red herring across the track by raising an outcry against Socialism. Evidently his object is to divert the attention of the people from the real question awaiting settlement—the question of whether or not we are to have a scientific Tariff. If he appealed to the country to say whether Australia should have a sound protectionist Tariff rather than a revenue one, he would be hopelessly beaten all along the line.

Senator WALKER.—That is a mere assertion.

Senator STYLES.—I believe it to be a fact; the next elections will, at all events, show whether or not my statement is a justifiable one. Mr. Reid is far too clever to allow the issue of free-trade versus protection to go before the electors.

Senator Lt.-Col. GOULD.—The Labour Party pull the strings very nicely, and the honorable senator dances.

Senator STYLES.—On the occasion of the last general election they pulled them in opposition to me.

Senator MILLEN.—Just now the honorable senator is pulling their strings.

Senator STYLES. — The boggy of Socialism can be speedily allayed by

plenty of employment at a fair rate of wages and under reasonable conditions being found for our own people.

Senator Col. NEILD. — The conditions that have driven the adult male population from Victoria to the other States.

Senator BEST.—More fictions.

Senator STYLES.—I shall give Senator Neild a nut or two to crack. I repeat that in order to allay the Socialist boggy we should endeavour to find for our workers plenty of employment at fair rates of wages and under reasonable conditions. That would do more than anything else to stamp out the firebrands, and there are few of them. The great bulk of the workers, when conditions are satisfactory, do not care to see them upset. Find plenty of employment for them, and leave the men themselves to deal with the handful of extremists. I like to appeal to a free-trader to show what a glorious success protection has been in Australia. In November, 1901, Senator Symon, who I am sorry to see is not present, told the people of Tasmania that protection was designed simply to find work for a few clothiers and bootmakers. That is something very different from the statement made the other day by Mr. Reid. I do not know of a greater eulogy of protection than the speech delivered at Burwood, on the 25th ultimo, by Mr. Reid. What he said on that occasion is worth repeating, for he showed clearly that, even under the present milk-and-water Tariff, the industries of Australia are making great strides. He said—

The number of factories in Australia had increased during the four years from 1901 to 1905 from 8,000 to 12,000—

That is a very good beginning.

Senator TURLEY.—From what is the honorable senator quoting?

Senator STYLES.—From the *Sydney Morning Herald* of 26th ultimo. According to this report, Mr. Reid went on to say—

In 1901 there were 133,000 hands employed in factories engaging more than four hands, and in 1905 the number had increased to 203,000, while there were 70,000 more in smaller factories. There were therefore more men employed in the factories than there were on the agricultural lands of the country; three times more than were engaged in the pastoral industry, and double the number that were employed in the mining industry.

Senator MILLEN.—Does the honorable senator think that it is desirable that the

men in our factories should outnumber those on our lands?

Senator STYLES.—No, but I certainly think it desirable that the number of men employed in our factories should be doubled. At the same time, I am at one with those who would like to see hundreds of thousands of people placed on the lands of the States. We have been told that the protectionist policy is a shocking one; but no greater praise could be bestowed upon it than was accorded by Mr. Reid, when he showed that our own products, instead of being sent to the other side of the world to be worked up and returned to us, were being manufactured into finished articles by the people in our own States. We are promised that the cultivators of the soil shall be helped. It seems to me that paragraphs 19 and 35 of the Governor-General's speech practically amount to the same thing.

Senator MILLEN.—So far as it is possible to discover their meaning, that is so.

Senator PLAYFORD.—That shows the cleverness of the speech.

Senator MILLEN.—I admit the cleverness with which the speech has been prepared.

Senator STYLES.—The proposal to assist the cultivators of the soil in this way, is merely another phase of protection, and I am sure that honorable senators opposite will encourage the Government to place the people on the land. We admit that all wealth comes out of the ground, and I think that it is well that our producers should be instructed. The Government should seriously take into consideration the desirableness of sending one or two intelligent young men to the United States every year, as well as one each to the United Kingdom, France, Germany, and Italy, to acquire knowledge calculated to assist our producers. Occasionally visitors from other parts of the world teach our producers something worth knowing, and it seems to me that the course adopted by the Government in sending military officers to the old world to gain experience in military matters, and others to acquire knowledge of mechanical science, might well be followed in this regard. I do not believe in the "sink or swim policy" being applied to either our producers or our manufacturers. I certainly do not believe in the "dry dog policy." Where should we be had we applied that policy to the butter industry which was launched by means of the bonus system, and has proved of immense benefit, not

only to Victoria, but to the whole of Australia. I think it was Mr. J. L. Dow who conceived the idea of encouraging the butter industry by means of bonuses, and it was certainly a statesmanlike scheme. The Government will have my support in any step they take to benefit the producers.

Senator DE LARGIE.—Before the honorable senator passes away from that subject, may I ask him whether he refers to the bonuses received by the agents or the bonuses received by the farmers?

Senator STYLES.—I was referring, as my honorable friend knows perfectly well, to the bonuses which were originally granted to the butter producers. I should like to see bonuses granted in many other directions.

Senator Lt.-Col. GOULD.—The butter industry has prospered all the same.

Senator STYLES.—The granting of the bonuses gave the industry a start, but the middleman, I suppose, took most of the money.

Senator BEST.—That was only a late development.

Senator PLAYFORD.—In South Australia the middleman did not take the bonuses, the farmer got them all.

Senator STYLES.—It is a pity that the railways are not federalized, and on a uniform gauge, in order that country producers might be able to send their produce to the nearest market, quite irrespective of geographical boundaries, by the most direct route, and at the cheapest rate.

Senator MILLEN.—Will not the necessity for that largely disappear when Riverina has become Victorian territory?

Senator STYLES.—Perhaps we had better not wait for that event to happen. We should federalize the railways as soon as possible. Every attention should be paid, not only to direct railway carriage, but also to ocean carriage, in order that producers may be able to get their surplus products placed upon the world's market with as little delay as possible, and at the cheapest possible rate. While I hold a seat in Parliament I shall assist in that direction all I can. I do not speak boastingly when I mention that I was the first man in an Australian Parliament to point out that farmers' produce in large quantities should be carried at the rate of ½d. per ton per mile. It was many years ago that I made that proposal in the Victorian Parliament; it was taken up at the time, and rates were reduced. We should be able to grow our

own tobacco and cotton, and produce our own iron. These are three of the main matters to which we ought to pay attention. Our woollen mills also ought to be of sufficient number and capacity to work up our wool into flannels, blankets, woollens of all kinds, and tweeds, without sending every pound of wool to the other side of the world to be made up and sent back here.

Senator O'KEEFE.—And after we send the wool, and get it returned in a manufactured state, we send cargoes of sheep to feed the weavers.

Senator STYLES.—Yes. Of course a number of these topics lead up naturally to one subject for which I have a weakness, and that is preferential trade.

Senator PULSFORD.—Lead to the lunatic asylum.

Senator STYLES.—Lead to the lunatic asylum!

Senator PULSFORD.—Yes, by express train.

Senator STYLES.—They lead up naturally, I think, to preferential trade. I notice that the late Right Honorable Richard Seddon and our Prime Minister had several conferences, and, I believe, came to an understanding with reference to reciprocity between Australia and New Zealand.

Senator MILLEN.—It is a very little one, though.

Senator STYLES.—My idea all through has been to establish preferential trade between Australia and the United Kingdom. The United Kingdom imports annually about £100,000,000 worth of food stuffs, such as we could supply, such as, for instance, grain, flour, meats, and wines; while Australia sends only from £4,000,000 to £4,500,000 worth of those articles. What a splendid thing it would be if the old country could see its way clear to grant a preference to our producers—not a big one, perhaps. Take butter, for instance. It can be landed in London from Denmark for about 25s. a ton carriage, I believe. It goes through as ordinary cargo, and of course there is no cold storage to pay for. If a man, situated, say, 100 miles from Melbourne sends butter, by the time it has reached London it will have cost him from £6 to £7 per ton.

Senator Lt.-Col. GOULD.—Not so much as that.

Senator STYLES.—It costs a man at Benalla from £6 to £7 a ton to land his butter in the London market.

Senator Lt.-Col. GOULD.—What would the butter producers get for butter, then?

Senator STYLES.—They get £100 a ton for butter. It costs a Danish producer 25s. a ton for freight to land his butter in the same market.

Senator MILLEN.—Does the honorable senator seriously ask the British consumer to make up the difference to us?

Senator STYLES.—Yes.

Senator MILLEN.—What does the honorable senator propose to give him in return?

Senator STYLES.—A preference.

Senator Lt.-Col. GOULD.—In what direction?

Senator STYLES.—We import £9,000,000 or £10,000,000 worth of stuff every year from foreign countries. Let us put a duty on these imports, and let the foreigner pay it.

Senator PULSFORD.—Is the honorable senator going to give the Britisher a preference in the matter of woollen goods which we make ourselves?

Senator STYLES.—No; but I would give the Britisher preference in all cases over the foreigner.

Senator MILLEN.—Does the honorable senator expect such a one-sided bargain as that to be entertained for one moment?

Senator STYLES.—It would not be a one-sided bargain, because we shall always be importing some goods, and in every case we could give the United Kingdom a preference over any foreign country. In Canada a duty of 30 per cent. is levied upon goods coming from France, while Great Britain is allowed to send in similar goods at a duty of 20 per cent. The Canadians are not afraid of the mighty German Empire, for the duty on German goods is 40 per cent. I have heard some persons say that we must not fall out with Germany, as she is one of our best customers. Of course, she is one of our best customers, because it pays her to be, but the very moment it does not pay her she will not deal with us. The result of the imposition of the German surtax in Canada was that the importation of 78,000 tons of bounty-fed beet root sugar was stopped at once. Mr. Fielding said that not one ton of this description of sugar came from Germany but that that quantity of cane sugar was imported from the British West Indies. In

Canada they seem to know what they are doing. I wish to show that the trade is not following the flag, by quoting some figures which I have taken from *Coghlan*, and which, in my estimation, are very impressive. In 1881, the trade between Australia and the United Kingdom was £41,000,000, while in 1903 it had fallen to £40,000,000. In a period of twenty-two years it had decreased by $2\frac{1}{2}$ per cent., while in Australia the population had increased by 74 per cent. *Coghlan* shows that in 1881 £6,200,000 represented the whole of the trade which was done with foreign countries by Australia, and that in 1903 it amounted to £25,700,000. During the period in which our trade with the old country had fallen off $2\frac{1}{2}$ per cent., our trade with foreign countries had increased by £19,500,000, or by $31\frac{1}{4}$ per cent.

Senator MILLEN.—Due, to a large extent, to the fact that shipments were direct in the later period, and *via* England in the former.

Senator STYLES.—These bare facts from *Coghlan* are very impressive to myself and many others. I notice from the Governor-General's Speech that it is proposed to have in London a Central Immigration Office—"a unity of effort," I think it is described—instead of having so many immigration offices. That will, I consider, be a move in the right direction.

Senator MCGREGOR.—That is when we have room for immigrants.

Senator STYLES. — Yes, when South Australia hands over to the Commonwealth the 500,000 square miles of land in the Northern Territory. With plenty of land available, and abundance of employment, we need not worry about immigrants—they will come. Speaking from my knowledge of workmen, no Britisher, when he is looking for employment, no matter from which country he hails, ever asks what food or clothing costs. All he asks is, "Is there plenty of employment at fair rates of wages?" If the Central Immigration Office can assure men that there is an abundance of varied employment, such as can be induced by a proper system of protection, and that plenty of land is available, at a reasonable rate or, if you like for nothing, we shall get all the immigrants we require. Persons will flock here by the thousands. There are six or seven clauses in the speech dealing with defence matters. We all agree, I think, with the reference to our citizen soldiers. I have

seen something of soldiers since I entered the Senate. I have sat on several so-called military inquiries, and learned a wrinkle or two which may be of some little service to me if I should happen, by any misfortune, to fall into the chair of the Minister of Defence. It seems to me that rifle clubs should be encouraged in every legitimate way throughout Australia. We should teach our growing youths to shoot straight and often. The very questions with which the Government, in this speech, propose to deal were suggested by the lessons of the Boer war. They are only following the example of the Boers when they advocate these proposals. Senator DOBSON, I know, has a great hankering after this cadet business. I think it is quite right, too.

Senator DOBSON.—I advocate a comprehensive national scheme; not a miserable scheme like this.

Senator STYLES.—Is not this better than nothing?

Senator DOBSON.—No.

Senator STYLES.—The honorable senator is dissatisfied because this proposal did not originate with him. But we had better take half a loaf than nothing; let us have a beginning. I would suggest to the Minister of Defence that in Australia we should have an ammunition factory established—a Government ammunition factory, if you like—and a small-arms factory. Of course, a good many persons will laugh at my suggestion. But I think that a small-arms factory could possibly be established in connexion with some of our Government workshops. I recollect that when the naval contingent was about to be sent to China, some alterations in the field guns were required to be made. The guns were taken to the workshops at Williamstown to be altered. An engineer in connexion with the Defence Department drew the plans, and gave the requisite instructions. He told me that the work was carried out most satisfactorily; in fact, as well as it could have been done in England. There is another matter referred to in the Speech—with reference to Australian officers. It is declared that Australian officers are to have the preference in appointments to our Naval and Military Forces. I think that that policy is quite right also. Are we to find the men to do all the drudgery—to do what in railway parlance is called "the bullocking" — while some one else comes along and takes

all the little pickings? I believe that our own officers are quite as well able to take their share as men coming from other parts of the world. By all means let us, in the interests of the Commonwealth, send officers to various countries, in order that they may perfect their knowledge of defence matters, but let us, as far as possible, appoint our own officers to those positions in the service for which they are fitted. Japan has successfully followed that policy. She has sent out her own men, and enabled them to get the necessary experience abroad, and has then appointed them to high commands in her own army and navy.

Senator MULCAHY.—Give our own men the preference, other things being equal; but let us get the best men, in any case.

Senator STYLES. — What has placed Japan in the position she now occupies? She has benefited from the pursuit of that policy during the last thirty years. It is a curious thing that we should be so much inclined to send all over the world for persons to come and take prominent positions in this country, whilst other people in other parts of the world are ready enough to send here, and take our best men. We send abroad for railway managers. We sent to Canada for Mr. Tait, and to England for the late Mr. Eddy. But, curiously enough, when one of the principal railway companies of the world, the Midland Railway Company of England, wanted a new manager, it sent to Australia for him, and secured the services of Mr. Matheson, the former manager of the Victorian railways. Japan sent out large contingents of her young men to pick up what they could learn in other countries. I take it that the Commonwealth Government will send out promising officers to learn abroad.

Senator BEST.—They are doing so now.

Senator STYLES. — I understand that Captain Creswell was sent Home for that purpose.

Senator TURLEY.—Was not Mr. Matheson, the present manager of the Midland Railway Company in England, sent out from England to Australia in the first instance?

Senator STYLES. — He came from Scotland.

Senator BEST.—But he was a very small man when he came here.

Senator STYLES.—He was. Senator Best, as I happen to know, is the man who made the arrangement with Mr. Matheson

to come from Queensland to Victoria. Although he came from Scotland, it must be recollected that he was not then getting anything like £3,500 a year. But the experience which he picked up in Australia was considered to be so valuable that I understand he is now being paid between £4,000 and £5,000 a year. I mention this to show that there are opportunities in Australia for acquiring experience in important positions, and that it is not necessary to send abroad for our principal officers. I have a word or two to say with regard to the Naval Agreement. It struck me that it was not being properly carried out, and, therefore, I gave notice of the questions which I asked this afternoon. Honorable senators heard the answers given to them, which showed that the impression I had formed is correct. I hope that the Government will look into the matter. We were assured that all sorts of benefits were to be derived if we only consented to vote £200,000 a year on account of the Imperial squadron in these waters. I am not saying that £200,000 per annum, if we are going to pay anything, is too much. But, for my own part, as one taxpayer of this country, I would rather pay my share of £400,000 a year towards a navy of our own.

Senator Sir WILLIAM ZEAL.—Mr. Seddon did not think that we should have our own navy.

Senator STYLES.—Mr. Seddon was a much abler man than I am, but, like the rest of us, he was not infallible; and Mr. Seddon would have been the first to admit that. I am simply saying how the matter presents itself to my mind, and I repeat that I would rather that Australia paid £200,000 a year more, and had a navy of her own, with all the supplies obtained in Australia, and manned by Australians from one end to the other.

Senator Sir WILLIAM ZEAL.—How long would such a navy last if an ironclad came along?

Senator STYLES.—How long would the present squadron last if attacked by an armoured cruiser or a battleship? It was always understood to be a stipulation that we were to have a first-class armoured cruiser on this station. It is true that the present flagship is a protected ship, but she is not such a vessel as was stipulated for. We, on our part, have kept to our contract in paying the £200,000 a year, and I think

that the Admiralty ought to have kept its part of the agreement.

Senator BEST.—It was always understood that the squadron was to act in conjunction with the British Navy in time of war.

Senator STYLES.—I am not disputing that, nor am I disputing the soundness of the policy of having the Australian Squadron under the direction of one naval commander-in-chief—the Admiral of the British fleet—in time of war. I by no means object to that. I do not say that we should cut ourselves off from co-operation with the British fleet, and that our vessels should go where they think fit. But it appears to me that the greatest help which Australia could give to the mother country if she were attacked on the sea would be by means of a navy of our own.

Senator STANFORTH SMITH.—We ought to contribute in men and ships, and not in money.

Senator STYLES.—That is so; and the supplies ought to be obtained here. If we are to follow the principle of contributing a share towards the maintenance of the Royal Navy, I point out that our share, according to our population, when compared with the population of the United Kingdom, would be one-tenth of the whole cost of the Navy, which is some £30,000,000 per annum.

Senator MILLEN.—That is not proposed.

Senator STYLES.—No, it is not proposed, and, therefore, that principle is not adhered to.

Senator Sir WILLIAM ZEAL.—Where would the honorable senator get the ships from?

Senator STYLES.—From England. We should have to pay for them.

Senator Sir WILLIAM ZEAL.—Where would he get the money from?

Senator STYLES.—Out of the pockets of the Australian people. There is one matter to which I wish to refer that is not mentioned in the Governor-General's speech, and that is the cost of Federation. I have not heard that matter referred to lately, although when I have been on the platform in the country it has been thrown at me that Federation is costing an enormous amount of money. I have, therefore, been to some trouble to investigate the matter, and should like these facts to go forth to the public. I got them from the Treasury for the purpose of answering questions which might be put to me as to the cost of Federation—that is the ex-

penditure that has been incurred, and that would not have been incurred if there had been no Federation. The expenditure amounts to £1,386,166 up to the end of the present month. That works out at £277,233, or 1s. 4½d. per head of the population, per annum. That is the cost of Federation—the expenditure over and above what would have been paid by the people had there been no Federation.

Senator Lt.-Col. GOULD.—That is less than the cost of a dog registration.

Senator STYLES.—It is. The figures are official. I obtained them from the Treasury myself. There is some confusion of ideas about this matter. When I went to the Treasury, I said, "I want to know what expenditure has been incurred exclusive of the expenditure on post and telegraph offices, and so forth." Of course, an increased number of post-offices has been necessitated by movements of the population. I wanted to know, however, what Federation had cost actually—distinguishing "other" expenditure from "new" expenditure. A new post-office is a work which would have had to be undertaken whether Federation had been brought about or not.

Senator BEST.—That expenditure works out at 1d. per head per annum less than the original estimate.

Senator STYLES.—Yes. The minimum estimate at Adelaide was £300,000 a year. The average expenditure per annum up to the end of the present year is, as I have said, £277,000, which is £23,000 below the estimate. But that was the minimum estimate. Another estimate of cost given went up as high as £700,000. I quote these figures to show that Federation has not cost the people such a sum of money as some have supposed. What have we to show as a set-off against this expenditure? We have done a great deal since Federation has been established. I am sure that my free-trade friends will be glad to admit that the abolition of border duties is worth something. That is one thing that has been accomplished.

Senator BEST.—The abolition of the border duties meant a difference of £1,000,000 per annum.

Senator STYLES.—It was a very good thing for Australia as a whole. The White Australia policy is worth something out of the 1s. 4½d. per head. The White Ocean policy is worth something. Further—

Queensland is now supplying almost the whole of the sugar consumed in Australia. That is a very good thing for her. We have a better knowledge of each other's States than we had before, because the people have to look into the affairs of other States than their own. I do not like to inflict a mass of details upon the Senate, but I cannot resist the temptation of giving one or two facts as to salaries paid. The people ought to know these things, because many of them are under the impression that the Commonwealth Parliament has been extravagant. To refute that idea, I wish to compare some of the salaries paid by the Commonwealth and by States. The Chief Justice of all Australia receives £3,500 per annum, without a pension; the Chief Justice of Victoria receives the same sum, with a pension. The Victorian Clerk of Parliaments, Sir George Jenkins—who is really only Clerk of the Legislative Council of Victoria—receives £1,200 a year; the Clerk of the Commonwealth Parliament receives £900 a year. That is to say, Sir George Jenkins is paid thirty-three and a third more for clerking the Legislative Council of Victoria than Mr. Blackmore is paid for clerking the Senate. In the Commonwealth we pay our Parliamentary Draftsman £800 a year; Victoria pays her Parliamentary Draftsman £1,300 a year—60 per cent. more in a State which contains only 30 per cent. of the people of the Commonwealth.

Senator Sir WILLIAM ZEAL.—It must be remembered that the State Parliamentary Draftsman receives the salary mentioned after thirty years of service, and has worked up to that salary.

Senator BEST.—He is well worth the money, too.

Senator Sir WILLIAM ZEAL.—I do not think the honorable senator should enter into these personal matters.

Senator STYLES.—It is not the men I am talking about. I am comparing the salaries paid to officers, and am doing it to show that we have not fixed extravagantly high salaries in the Commonwealth. The highest salary paid in Victoria to a public servant is £1,500 a year to the Commissioner of Taxes. The highest salary paid in the Commonwealth to a public servant is £1,200 a year for a Public Service Commissioner. Our Comptroller of Customs gets the same salary now as he obtained when he was a State officer, £1,200 a year. The head of the Post

and Telegraph Department receives £1,000 per annum in the Commonwealth, and the head of the Department received £1,000 under the State of Victoria. The heads of the Home Affairs Department, the Treasury, and of the Department of External Affairs, receive salaries of £1,750 and £800, while similar positions in New South Wales are all remunerated at £1,000 a year. Surely the charge of extravagance cannot lie against the Commonwealth Parliament in such matters. The Inspector-General of Public Works for all Australia is paid £800 a year, while the Inspector-General of Public Works of Victoria is paid £1,000 a year, and the Engineer-in-Chief of the Melbourne Metropolitan Board of Works, which, after all, is only a glorified municipal council, is paid £2,000 a year, or more than double what is paid to the Commonwealth Inspector-General. In Victoria, the Secretary of Defence was paid £900 per annum—the same salary that is paid under the Commonwealth. Then, again, we know that in the case of new appointments under the Commonwealth, no pensions are allowed. I know it is rather dreary listening to these details, but it is only right and fair to ourselves that the public should be made acquainted with the facts, because a great deal of grumbling arises through misapprehension and misconception. I should now like to conclude with a few remarks about people who will persist in slandering Australia. I am as much an Australian as if I had been born here; all my sympathies and interests are in this country. I should like to relate a little circumstance in connexion with the trade in Australian wine. Last year I had the pleasure of meeting Mr. Burgoyne, of the well-known firm of Australian wine distributors, in the United Kingdom; indeed, I believe the firm are the greatest distributors of the product. I was informed by Mr. Burgoyne, junr., who accompanied his father, that their advertisements in connexion with the Australian wine trade appear at 10,000 or 11,000 railway stations in the United Kingdom. The visit of Mr. Burgoyne and his son to Australia was caused partly by a series of articles which had appeared a year or two before in the London *Daily Mail*. When the Watson Government came into power, and the Labour Party seemed to be gaining great strength in Australia, one gentleman in Queensland disposed of his property at one-third of what he could have sold if

for seven years before. This fact startled Mr. Burgoyne, and he and his son came out to Australia in consequence. I was on a visit to Mr. Burgoyne's place, in the North-Eastern District—and a very fine establishment he has—and he told me that he came out with the fixed determination to dispose of all his properties in Victoria if he could get one-third of what they had cost. I asked him what was his present intention, and he replied, "My manager met me in Adelaide, and told me, what I afterwards found to be true, that I had been misinformed; and if you go outside, you will find my architect there, with my manager, Mr. Luke, and my son, arranging to duplicate all these buildings." Mr. Burgoyne, instead of selling off, was so satisfied with the soundness of Australia that he was going to spend a great deal more money here. I pointed out to him that no one in Australia wished to deprive him of his landed property, because he was making good use of it, and that that was all that was wanted. I further told him that some of my friends of the Labour Party, who were regarded as rather extreme, would be the first to compliment and congratulate him on the beautiful appearance of his place, and the large expenditure he had incurred and intended to incur.

Senator MCGREGOR.—Did Mr. Burgoyne think that we wanted to divide his property with him?

Senator STYLES.—On the evening previous to the conversation I have quoted, I was at a banquet which was given to Mr. Burgoyne by the vignerons of the district. There was a very representative gathering, and Mr. Burgoyne was very much upset and angered about one matter. A Mr. Bagnall, who represented another large wine-distributing firm, was at the banquet, and made a rattling speech, in the course of which he referred to an allegation that the Australian wines sold by his firm in the United Kingdom were blended with Continental wines, and declared it to be absolutely untrue. Mr. Bagnall went on to say that, with the authority of his firm, he offered to give £500 to any one who could show that one drop of Continental wine had ever been blended with the Australian wines sold by his firm.

Senator BEST.—I wish every firm could say the same.

Senator STYLES.—Mr. Bagnall, on the same occasion, said that it was true Australian wines were blended with Austra-

lian wines. The next day, when I was at Mr. Burgoyne's place, the question arose, and Mr. Burgoyne then authorized me to say that his firm would add £1,000 to the £500 offered by Mr. Bagnall if it could be shown that one drop of continental wine had ever been blended with the Australian wines sold by Mr. Burgoyne's own firm.

Senator BEST.—But apart from those firms, it is a notorious fact that Australian wines have suffered most seriously by reason of being blended with continental rubbish.

Senator STYLES.—Mr. Burgoyne contended that the Australian wine is good enough in itself, and requires no bush. Mr. Burgoyne buys his grapes from sixty or seventy vineyards, and he told me that he blended Victorian wine, I think, with South Australian wine which is much lighter. At all events, this seems to me to be a matter worth mentioning, even in this Chamber, and one which justifies me in giving, on the authority of Mr. Burgoyne, a flat contradiction to the statement that Australian wines are blended with continental wines by his firm. The immediate cause of Mr. Burgoyne's visit to Australia, as he told me, was the scare raised at Home through the taking of office by the Watson Government. What had assisted in raising fears on the part of Mr. Burgoyne was a series of articles which had appeared in the London *Daily Mail*; and he told me that when he read those articles, and the Watson Government took command, he was fairly startled.

Senator O'KEEFE.—I suppose Mr. Burgoyne expected that when he arrived here his property would have all been divided up.

Senator STYLES.—Mr. Burgoyne said he was very much relieved when his manager, Mr. Luke, met him and told him that the allegations which had been made were a lot of nonsense. I explained to Mr. Burgoyne that he read the wrong class of newspapers, and he admitted that he did, and said he would try the other class when he returned to England. Mr. H. W. Wilson is, I believe, regarded as a financial authority, and here is a short quotation from an article written by that gentleman in the London *Daily Mail*:—

For some years past there have been indications that Australia was approaching a crisis in her history which will throw into the shade even the dismal times of 1893. . . . No country in the world, with the sole exception of N

Zealand . . . carries so heavy a burden of debt. Each Australian is saddled with £59, as against the £19 per head that the British population has to support. . . . So onerous is the burden of debt becoming that already the first ominous mutterings of the word "repudiation" . . . are beginning to be heard. The Socialists of Sydney are advocating the policy of running a pen slick through the State's undertakings.

What do the Sydney people say to that? Honorable senators will see what an absolute untruth there is in that quotation. It is there stated that the burden of debt in Australia is £59 per head for every man, woman, and child in the country. As a matter of fact, the gross burden of debt, as shown in the *Victorian Year-Book* for last year, is £56 per head.

Senator BEST.—And £150,000,000 is invested in railways.

Senator STYLES.—If the honorable and learned senator will allow me, I shall give the details. As I have pointed out, the gross burden of debt is £56, and not £59 per head. Then the net revenue from loan expenditure represents £36 7s. per head, leaving the net burden of debt at £19 13s., and not £59. As to the £36 7s., the interest is paid by railways, water works, and other reproductive investments, while the £19 13s. per head has been expended on harbor works, improved navigation, roads, bridges, defence works, &c., all of which tend to increase the value of property, both national and private. The net burden of debt here is £78,000,000, and the net burden per head is £19 13s. Mr. Wilson is not even right in regard to his figures at Home. The net burden is £760,000,000, which comes out at £17 10s. per head, so that the net burden of debt in Australia is only £2 3s. per head more than it is in the United Kingdom. A great distinction is that the £760,000,000 has been spent in the United Kingdom on wars and defence works, while our £78,000,000, for which we have to pay interest, has been spent on roads, bridges, and so forth, thus improving private and public property to the extent of millions of pounds. At Home the enhanced value of property is a mere bagatelle compared with the enormous expenditure.

Senator HIGGS. — A lot of Australian money has been spent in improving the property of anti-Socialists.

Senator STYLES.—I desire to thank the Senate for the patience with which they have listened to me. No doubt, as I have said, the day will come when, with elective

Ministries, the Address-in-Reply, together with the Mace and the Black Rod, and other old emblems, usages, and customs will disappear. I do not mean that the officials should be abolished, but that names should be altered. "Usher of the Black Rod" is a great misnomer, and so is "Sergeant-at-Arms," and I have been frequently challenged as to the need for such officers.

Senator PLAYFORD.—We have no Black Rod.

Senator STYLES.—The two officials I have mentioned ought to be named what they really are—Clerks of Committees.

Senator BEST.—What difference does that make?

Senator STYLES.—It makes a difference to those who do not know the facts. It makes no difference to us, but it does to people who think that the Usher of the Black Rod has nothing to do but walk about with a black stick in his hand all day, and that the Serjeant-at-Arms marches about the House with a sword at his side and the Mace on his shoulder. We know that that is not the case. I have only to say, in conclusion, that I am sure the Minister of Defence has paid every attention to my remarks, and that I am delighted that they have had a soothing influence upon him.

Senator BEST (Victoria) [4.15].—I beg to second the motion.

Senator MILLEN (New South Wales) [4.16].—Like other honorable senators, I have listened with a great deal of pleasure to the address just delivered by Senator Styles, and, whilst he would hardly expect me to indorse the whole of his oration, I must certainly say that I am thoroughly in accord with one or two points that he made. His reference to the Northern Territory is one that I sincerely trust will help to stimulate the Government into action, and induce them to press the matter forward to a business-like conclusion. There are portions of the Governor-General's speech to which I desire to allude, and I shall probably deal with them better, so far as I intend to discuss the speech, by taking the paragraphs in their order of sequence. As I have already indicated, I am unable to deal seriously with it. There are two reasons for this. In the first place, its inordinate length utterly precludes any one from assuming that it has been put forward as a serious businesslike proposition for consideration this session, whilst, in the second place, its carefully designed vague-

ness debars one from taking it seriously. I interjected a few moments ago that it was impossible to understand the meaning of one of the paragraphs, and the Minister of Defence immediately took credit to the Ministry for the cleverness with which the Speech had been drawn. I do not dispute its cleverness. I admit the extreme skill with which the Government have managed to adapt their phraseology to the circumstances surrounding them—circumstances rendering it extremely desirable that they should not speak definitely until they have ascertained a little more clearly how matters are going to develop. I should like to direct the attention of the Senate to the remarkable similarity which certain portions of the Governor-General's speech bear to the statement made by the Minister of Defence twelve months ago. Honorable senators will remember that the declaration of the policy of the present Ministry was made, not by means of a speech from the Governor-General, but so far as this Chamber is concerned, by a statement read by the Minister of Defence. In the course of that statement, the honorable senator said that the speech which was placed in the hands of His Excellency sixteen months before—namely, in 1904—exactly fitted the circumstances of the day on which he was then speaking. That statement might well have been reproduced in the Governor-General's speech that we are now discussing.

Senator MCGREGOR.—We have a revised edition.

Senator MILLEN.—I admit that some paraphrasing has taken place. Circumstances have necessitated a reference to one or two new matters, and the omission of one or two old ones, but to all intents and purposes we have before us to-day the same document that was placed in our hands twelve months ago.

Senator BEST.—What is wrong with that?

Senator PLAYFORD.—It shows a continuity of policy.

Senator MILLEN.—Exactly.

Senator BEST.—And the consistency with which that policy is pursued.

Senator MILLEN.—It shows the consistency with which the Government are pursuing an object that they are never likely to reach. Three years ago, the Deakin Government put forward—or pretended to do so—certain measures for the consideration of this Parliament. They renewed the list twelve months ago, and they bring it here

again to-day. I mention this to show how utterly ridiculous is a document that pretends to put before the Senate a great deal more business than the Government intend to proceed with—a great deal more than could possibly be dealt with.

Senator PLAYFORD.—If one wants to hit the moon one should aim at the sun.

Senator MILLEN.—So far as I am concerned, it is not a question of hitting anything, but I think we have a right to expect the Ministry—although with me the expectation has long since disappeared—to recognise its obligation to put before Parliament business-like proposals for a business-like session. Can it be said that those again brought before us are business-like proposals? Two years ago the Ministry brought forward an interminable list. A very small percentage of the measures enumerated in that list were dealt with, and, as a matter of fact, a very small percentage was intended to be dealt with. The Government now come forward once more with the same list.

Senator BEST.—'Twas ever thus in the history of responsible government.

Senator MILLEN.—If the honorable and learned senator will search the records of Parliament all over the world he will not find a document equal to the marvellous one now before us. In the course of the statement he made twelve months ago, Senator Playford told us that it might not be possible to complete all the legislation that he had outlined during the session then opened. Surely a paragraph to that effect should have been included in the present address. If the prophecy were applicable to the Ministerial statement of twelve months ago, it is still more applicable to a speech giving a list something like a third longer than the one then outlined.

Senator HENDERSON. — It is always a wise reservation to make.

Senator MILLEN. — My complaint is that there has been an omission in this regard. After predicting that it was not reasonable to expect that the business then outlined could be completed during the session, the Minister said that we might hope, by means of a business-like session this year and a longer session next year, to make good progress in the right direction. That statement, if capable of interpretation, was to be accepted as an assurance that the Government would take care that we had a longer session this year—that.

we had so much work to do, Parliament should be brought together earlier in the year, and a reasonable opportunity afforded it to deal with some of the more important work submitted by the Ministry. It is obvious, however, that the present session must be shorter than the last. That being so, if, for want of time, we fail to pass any of the measures outlined in the Governor-General's address, the responsibility must rest with the Government, for having allowed us to remain in recess when we ought to have been at work.

Senator BEST. — I have never seen a Vice-Regal speech which did not contain promises that were not capable of being fulfilled.

Senator MILLEN.—I am not questioning the honorable and learned senator's statement, made with the authority of an ex-Minister, that Governments are in the habit of making promises which they cannot redeem.

Senator BEST.—I did not say that.

Senator MILLEN.—My point is that twelve months ago the Minister told us that we should be called together earlier this year.

Senator HENDERSON.—So we were.

Senator MILLEN.—Why quibble with words? The statement was that we should have a longer session.

Senator MCGREGOR.—We were called together a fortnight earlier than we were last year.

Senator MILLEN.—But the present session must necessarily be shorter than the last.

Senator MCGREGOR.—It is longer at this end.

Senator MILLEN.—I do not expect for one moment that honorable senators opposite are going to find fault with the Ministry for this neglect. It matters not to me whether they do or not; but it is singular that those who profess such eagerness to proceed with legislation—who are continually affirming their desire to proceed with business which they allege the public demand—should remain quiescent, having regard to the fact that the Government gave Parliament an assurance that we should be called together earlier this year, and have a better opportunity this session than we had last of transacting public business.

Senator MCGREGOR.—We shall talk less, and therefore the time at our disposal will be longer.

Senator MILLEN.—In paragraph 17 of the Governor-General's speech we have received what are obviously the vague generalities in which Mr. Deakin has indulged in regard to attracting population to Australia. I am as anxious as is any one to see a steady stream of desirable population turning towards Australia; but I am unable, under existing circumstances, to work up any enthusiasm. In the first place, the class that we desire primarily to attract to our shores are those who will settle on the land. Our efforts in the first instance would not be directed towards attracting to Australia what I may term city labourers. I do not mean to infer that we desire to bar those of other occupations, but we certainly wish more particularly to encourage immigrants who will settle on the soil and become producers. There are two great difficulties in the way of this class of immigration. In the first place, there is the unsatisfactory position of our lands for closer settlement; whilst, in the second, we have the threatened legislation with regard to the lands of the Commonwealth. It would not be honest to invite people to come to Australia and acquire land here unless we made it clear to them that there is in practical politics a serious proposal for the nationalization of the very land we ask them to buy.

Senator HENDERSON.—It would be well if we could tell them that we were going to wipe out all land agents.

Senator MILLEN.—The honorable senator may tell them that, if he pleases. I cannot become enthusiastic over any proposal to invite people to come to our shores with the knowledge that there is in politics an active, dominant party which has for one of its objects the nationalization, at the earliest opportunity, of the very land which they are to take up. If the Commonwealth is to invite people to come to Australia, the requirements of honesty demand that it shall explain the position to them.

Senator MCGREGOR.—What is land nationalization?

Senator MILLEN.—The honorable senator should ask the caucus.

Senator HIGGS.—No doubt Senator Mil- len is referring to a progressive land tax.

Senator MILLEN.—I am referring to the land nationalization which is to follow that tax. Having by means of a progressive land tax, caused the division of land now held in large areas, we are to take that

land from the people by means of a scheme of nationalization.

Senator MCGREGOR. — The States are nationalizing land at the present time.

Senator MILLEN.—It is idle to say that, when a State purchases an estate, and subdivides and resells it, it is nationalizing the land.

Senator MCGREGOR.—If they resell it, they certainly do not nationalize it.

Senator MILLEN.—Every one of the States that has attempted to purchase land has practically resold it again. Even in New Zealand, where the leasehold system was adopted, proposals were being made by the late Mr. Seddon and the Ministry of which he was the head to enable those who had acquired land on leasehold to secure the freehold.

Senator PEARCE.—Not on the purchased estates!

Senator MILLEN.—On them too. One of the latest public declarations made by the late Mr. Seddon was to the effect that he was going to give an option.

Senator PEARCE.—I think that the honorable senator is wrong.

Senator MILLEN.—The difference of opinion can easily be settled. Of course, I am only quoting from newspaper reports, which, I assume, are fairly accurate.

Senator BEST.—There is not the slightest doubt that, throughout the farming community in New Zealand, there has been a strong agitation to secure an option.

Senator MILLEN.—That is the mere working of human nature. In New South Wales, in 1894, when, as I have already admitted, I was very much taken up with the idea of the State retaining the ownership of the land, and establishing a leasehold system, we passed a law which provided for leasehold tenures of Crown land. What happened? For a year or two nothing was said; but as the small leaseholders commenced to multiply, there arose a demand that they should have a right to freehold their lands, and the Farmers' and Settlers' Association, which included a large number of men of this class, were gradually brought round. For the first year or two, at their conference, they utterly scouted the idea. The opposition, however, only lasted for a few years, because with the multiplication of small leaseholders, each being animated with a desire to secure a freehold, it was only a question of time when the association should advocate a system of free-

hold tenures, and for the last three or four years they have affirmed that principle by an increasing majority.

Senator BEST.—In New Zealand it was exactly the same.

Senator PLAYFORD.—And in South Australia the lessees secured the passage of a Bill to enable them to purchase freeholds.

Senator MILLEN.—Exactly. You may talk of nationalizing the land as much as you like; you may put men on leasehold tenures; but in human nature there is something which will always cause a man to desire the absolute ownership of the land which he occupies, and the more you multiply the leaseholders the more you multiply those who will become claimants to the right to freehold tenures.

Senator PEARCE.—Does not the honorable senator see that his statement destroys his own argument, because, according to him, there is no danger of land nationalization?

Senator MILLEN.—Senator Styles read here to-day some figures showing that the men in employment in the city outnumber the men on the land. If it were left merely to those who were occupied on the land to decide the question, we could make a prediction. But as every man and every woman in the country, whether working upon the land or in a factory, have an equal voice in determining what its land policy shall be, it seems to me quite obvious what the decision of the majority would be.

Senator PEARCE.—A progressive land tax will reverse the figures. It will put a larger population in the country.

Senator MILLEN.—The honorable senator can venture on such a prediction, but I am not prepared to think that it will be the case.

Senator BEST.—And the honorable senator is not dealing with the question of a land tax.

Senator MILLEN.—No. I do not wish to discuss the question of the nationalization of land or the imposition of a land tax, I merely mention it as one of the reasons why I could not view with enthusiasm these proposals for attracting population. I desire to refer now to the next paragraph in the speech, dealing with the transfer of the State debts. I am utterly unable to understand the enthusiasm and eagerness with which a large number of persons connected with Federal politics are rushing round and seeking for an opportunity to

take over the liabilities of other people. I have never found anybody rushing round and trying to take over my liabilities, and if I did, I should suspect him. I should say that there was something in his desire which I could not understand. Why this feverish anxiety for the Commonwealth to take over anybody's debts? No one can advance a sound reason for the proposal.

Senator PLAYFORD.—The option is provided for in the Constitution.

Senator MILLEN.—But why are some persons so eager for the Commonwealth to exercise the option?

Senator PLAYFORD.—Because of the advantage which would eventually accrue to the Commonwealth as a whole from the lowering of the rate of interest.

Senator MILLEN.—That was one of the things which were predicted in pre-Federation days, but I venture to assert that there is no man with a knowledge of finance who will say that if the whole of the States debts were converted and handed over to the Commonwealth, there would be a saving of 1d. in interest for many years to come.

Senator BEST.—There would be a gradual conversion.

Senator MILLEN.—Does the honorable senator, when he speaks of a gradual saving, mean that if there is to be any scheme submitted, it can be other than an immediate one?

Senator BEST.—Yes. That is the only hope for economy.

Senator MILLEN.—What the honorable senator really means to suggest is, that a Commonwealth loan could be floated at a lower rate than a State loan?

Senator BEST.—Hear, hear.

Senator MILLEN.—I venture to dispute that statement. And the saving in interest which could be effected would be more than absorbed by the charges which we should be called upon to pay in London for the financial operations. We do not float our loans without expense; it amounts to a very considerable sum. No financier will affirm that there would be any immediate saving from the exercise of this option. It is all in the future. By-and-by, there is to be some imaginary saving effected, and in anticipation of that event, we are asked to relieve the States of heavy financial responsibilities, and incur the immediate cost of transferring these debts.

Senator PLAYFORD.—No; we would take over the debts just before they fell due.

Senator MULCAHY.—But the Government have not told us what they are going to do.

Senator MILLEN.—Exactly, and the State Premiers cannot tell the Government what they want them to do. As a matter of fact, the whole thing is "in the air," with this exception, that a number of persons connected with Federal politics are rushing round and trying to persuade themselves and every one else that it would be a mighty good thing if the Commonwealth took over these debts. Those who would gain the chief advantage would be the States. Of course, the final decision would rest with the Federal Parliament. The States have not displayed half the anxiety to get rid of these debts which the Commonwealth Ministers have shown to take them over. Let the States put forward a business proposition which we can consider. But that we should concern ourselves about relieving them of liabilities if they do not wish to be relieved of them seems to me to be a reversal of everything which I have ever recognised as business-like. The establishment of a Meteorological Department is a matter which might well occupy the attention of the Commonwealth Government. I am extremely pleased to learn from the speech that at last they have decided to consider a proposal for adopting a general system throughout Australia. A large number of persons living in the cities, perhaps, are not concerned about the weather except on the eve of a public holiday; but there are a large number of persons throughout the country and a large number of shipping people on the coast to whom it is a matter of vital importance. With certain States carrying on meteorological observations and other States acting with a difference of method, and, perhaps, disjointed communication, our present system is entirely ineffective, and I shall be very pleased when steps can be taken to place this Department on a Federal basis. I now come to what, in my opinion, is a most important matter, and that is the question of the proper recognition of the rights of the Senate as set out in the Constitution. It has been brought before the Chamber in various ways. If honorable senators will refer to that portion of the speech which commences with the words, "Gentlemen of the House of Representatives," they will see that at that stage the

following two paragraphs were addressed to them exclusively by the Governor-General:—

12. The Estimates of Expenditure originating from you will be framed with economy, having due regard to the magnitude of the area and interests under control.

13. Plans for the redistribution of your electorates throughout the Commonwealth have been prepared by Commissioners appointed in accordance with the provisions of the Electoral Act, and resolutions for the purpose of giving effect to the Commissioners' recommendations will be promptly submitted to Parliament for ratification.

I think I can ask honorable senators to approach this matter without any regard to party interests, or even to personal feelings. I desire to approach it in that way, and as evidence of my good faith, I shall refrain from moving an amendment on the subject. I cannot refrain, however, from asking honorable senators to seriously consider whether the time has not arrived for the Senate to take some more definite and pronounced action than it has done to secure a proper recognition of its rights. Let me briefly refer to the various occasions on which this question has been raised here. It will be remembered that in the first Parliament, with Mr. Barton as Prime Minister, the first Supply Bill which came to the Senate was altered so as to acknowledge that Supply was granted not merely by the House of Representatives, but by both Houses; because the preamble would make it appear that it was simply the act of the other House. It was, I believe, sir, through your act in drawing attention to the form of the preamble that an honorable senator submitted a motion, with the result that it was altered. I believe that it was altered first in a way which did not meet with the approval of the Senate, and that a further alteration was secured. At any rate, it was altered until due recognition was given of the constitutional standing of the Senate. In the speech delivered at the opening of that session the reference to the Estimates was made in the same way as it is made in the speech under consideration to-day, that is to say, the paragraph was addressed to the House of Representatives only.

Senator BEST.—But did it make use of the term “originating?”

Senator MILLEN.—I do not think that it did.

The PRESIDENT.—No.

Senator BEST.—The paragraph in this speech makes use of the term “the estimates of expenditure originating from you.”

Senator MILLEN.—It appears to me that little by little the constitutional powers and functions of the Senate are being whittled away.

Senator PEARCE.—It is a constitutional fact that the Estimates of Expenditure originate there.

Senator MILLEN.—Exactly; and I do not quarrel with the use of the term “originating from you.” What I say is that this appeal to the gentlemen of the House of Representatives alone is wrong. Any remarks which His Excellency may desire to make regarding the Estimates of Expenditure should be addressed to both the Senate and the House of Representatives. In addressing such a paragraph to both Houses I have no objection to His Excellency stating that the Estimates of Expenditure originate with the other House, which is merely stating a fact.

Senator PLAYFORD.—This is the practice which we have followed since we started.

Senator BEST.—It is simply a slavish adherence to custom.

Senator MILLEN.—I am afraid that it is something more than that. I am told by the Minister that it is an old practice.

Senator PLAYFORD.—So it is. Look at the different speeches.

Senator MILLEN.—But we have had so many promises from Ministers that it would be altered.

Senator PLAYFORD.—Not that particular practice.

Senator MILLEN.—I cannot believe that this procedure is unintentional, and when I run through the various speeches perhaps honorable senators will see that there is some justification for my appeal to them, not to-day in connexion with the Address-in-Reply, but later on, to take some action which will secure a proper recognition of the constitutional rights of the Senate. In the speech delivered at the opening of the first session of the first Parliament, with Mr. Barton as Prime Minister, the paragraph relating to the Estimates of Expenditure was addressed to the House of Representatives, and at the close of that session that House only was thanked for the granting of Supply. In the session of 1903 the paragraph in the opening speech relating to the Estimates of Expenditure was addressed to the House of Representatives

alone. On the 26th June Senator Neild moved that, in proroguing Parliament, due recognition should be given to the fact that the Grant of Supply is the joint act of the two Houses. Senator Drake, the Postmaster-General, after a good deal of discussion, in which no one disputed my contention that the Grant of Supply is the act of the two Houses, promised to carry out the wish of the Senate, and the motion was withdrawn. At the close of that session, in accordance with that promise, both Houses were thanked for the Supply being granted. If any precedent were wanted for the course I am about to suggest it is to be found in that fact. In spite of what had happened in the previous session, the Governor-General's speech again addressed remarks dealing with the Estimates to the House of Representatives only. The matter was again referred to in the debate on the Address-in-Reply, as I am referring to it now, and there was some more or less definite assurance given that what was complained of would be remedied in future. But on the 14th April a motion was moved by Senator Neild praying the Governor-General that, when opening or proroguing Parliament, his speech should give "due recognition" to the constitutional fact of Supply being granted by "both Houses of the Legislature." Senator Playford, who was then in charge of the business of the Senate, asked Senator Neild to withdraw that motion, and promised that, if it were withdrawn, what was complained of would not happen again. He said—

We old politicians are in the habit of using the old forms without taking into consideration the altered position of the Senate on the one hand and the House of Representatives on the other.

Senator PLAYFORD.—That was in reference to the speech at the close of the session.

Senator MILLEN.—Yes. The remark I have quoted was reported in *Hansard*. 14th April, 1904, page 946. These "old politicians," it appears, are not merely used to old forms, but they are also afflicted with treacherous memories; and I say that the continuation of this process of forgetfulness rather induces me to think that—not on the part of Senator Playford, but of other Ministers—they are not so acting merely out of forgetfulness, but from design. The Governor-General's speech this year was prepared by the Government, as usual, and Senator Playford, as a member of the Government, agreed to it.

Senator PLAYFORD.—It is the duty of my secretary to keep me up to my promises.

Senator MILLEN. — I am pleased to hear the honorable senator speak in that way. I should like to point out that the motion to which I have referred was carried by the Senate, although the Minister had asked that it should be withdrawn; and I venture to say that it was carried, not out of any discourtesy to the Minister, not through any doubt as to his promise, but because it was felt that, though having had various promises, through a chapter of accidents they had not been redeemed, and that it was wiser for the Senate to place its opinion on record. The motion, as I say, was carried, the following senators voting for it:—Senators de Largie, Findley, Fraser, Givens, Gray, Guthrie, Henderson, Higgs, Macfarlane, Millen, Pearce, Staniforth Smith, Styles, Walker, and Sir William Zeal. The senators who voted against the motion were Senators Dobson, Drake, Playford, Trenwith, and Turley. The majority was large, and I think we may assume that those who voted against the motion were not opposed to it on principle, but thought that, after the assurance of the Minister, it could be withdrawn. At any rate, it stands on record that the Senate on that occasion, by a large majority, thought that the time had arrived for taking some definite action. When that session closed—and, I think it may be said, in consequence of our action—the speech of the Governor-General thanked the Senate and the House of Representatives for Supply. That was the last session in which Mr. Reid held office. At the opening of the following session, in 1905, when Mr. Reid met Parliament again, the Governor-General's speech contained no reference to Supply. As honorable senators will remember, the speech was historically brief. Consequently, the point at issue did not arise. When the session of 1905 was being closed, the Governor-General's speech again thanked both the Senate and the House of Representatives. But now we come to the present occasion, on which the House of Representatives alone is addressed. I have now put before the Senate the history of the matter. I feel convinced that honorable senators will agree with me as to the view I have expressed, and that we have all expressed, either by speeches in this chamber or by the reso-

lution which was agreed to on the occasion I have indicated.

Senator PLAYFORD.—Does not the honorable senator see that the phraseology used in the Governor-General's speech this year is quite different from any phraseology used before? It says—

The Estimates of expenditure originating from you.

Senator MILLEN.—To whom were those words addressed?

Senator PLAYFORD.—To the House of Representatives.

Senator MILLEN.—Exactly.

Senator PLAYFORD.—They only describe the fact of origination.

Senator MILLEN.—Surely the Senate will not be misled by that excuse. Those are the very words of which I am complaining. It is admittedly a fact that they are addressed only to the House of Representatives.

Senator PLAYFORD.—It is an absolute fact that is stated.

Senator MILLEN.—I admit that. But they ought to have been addressed to the Senate and the House of Representatives. The Senate ought to have been joined with the House of Representatives in the allusion to the grant of Supply. The paragraph should have been worded—

Gentlemen of the Senate and gentlemen of the House of Representatives, the Estimates of expenditure originating from the House of Representatives will be framed with economy.

We have as much right as has the other place to know how the Estimates will be framed. We have as much right to know whether the Estimates will be presented at all, as has the House of Representatives. The mere fact that the Governor-General, in his courtesy, goes out of his way to tell us where the Estimates originate does not matter at all. He tells us what we all knew from the Constitution and from practice. But the matter complained of is that the Governor-General addressed the House of Representatives only, as though that House is responsible, and responsible alone, for the grant of Supply. I was surprised when Senator Playford interjected in the way he did just now, because if he reads his own speech on the former occasion to which I have referred, he will find therein a full indorsement of every word I have said, and a full and clear recognition that the grant of Supply is the act of the two Houses.

Senator PLAYFORD.—Hear, hear; there is no doubt about that.

Senator MILLEN.—Then the honorable senator need not trifle with the word "originating." His own Government, in closing the last session, thanked both Houses for the grant of Supply. Why thank both Houses if the Government does not think it necessary to ask both Houses for Supply? The two things go together. The Government should either ask both and thank both, or should ask one and thank one. But the Government of which the honorable senator is a member last session thanked both Houses for Supply, because the granting of Supply is the act of the two Houses. I do not think that the Government can take exception to the way in which I am dealing with this matter. I have not brought it forward in any party interest. If I had desired to do so, it would have been easy for me to propose something by way of an addition to the Address-in-Reply, reminding His Excellency of the resolution which the Senate has previously passed, and which has been presented to him by address. But I have not done that because I want honorable senators to deal with the matter absolutely, apart from conflicting interests. I hope that the Minister will be able to give an assurance to the Senate that what has occurred is an accident, and that, so far as the present Government is concerned, he will see that greater attention is devoted to the preparation of the Governor-General's speeches in the future. If that is done, it will be accepted by the Senate as an assurance, and it will not be necessary as time goes on in the session to ask the Senate to re-affirm the position set out in the resolution to which I have referred. The same remark applies to the 13th paragraph in the Governor-General's speech. I only just refer to it, for fear it might be said that I had overlooked it. The paragraph to which I allude deals with the redistribution of electorates, and it is addressed only to the House of Representatives. I recognise that here again the old traditional track has been followed, the assumption being that the lower House only is concerned in the electoral machinery which elects it. But what is applicable to a State Parliament has no possible bearing here; because honorable senators must recollect that our Electoral Act itself expressly provides that these matters have to be referred to the Senate for its approval.

Senator KEATING.—It is stated in the paragraph referred to that the resolutions will be submitted to Parliament, not merely to one House of the Parliament.

Senator MILLEN.—But what I complain of is that those remarks are addressed to one House only. An obligation rests upon the Senate, imposed by the Constitution, that does not rest upon a State Legislative Council. Let me say, also, that the division of a State into electorates is vital to the interests of a State in its entirety.

Senator KEATING.—I admit that, but in addition to the interest which each House, in common, has, in the redistribution of electorates, the other House has an extra or special interest.

Senator MILLEN.—A personal interest.

Senator KEATING.—More than a personal interest.

Senator MILLEN.—I dispute that. I see only the difference of a personal interest between the position of the two Houses. Let me point out how grave a thing it would be under our Constitution if we allowed the idea to grow that only the other Chamber was concerned in the division of a State into electorates for the House of Representatives. It might happen that a scheme of division was extremely convenient to the sitting members of that House, but be disastrous to a State as a whole. I say that it is here where the interests of a State as a whole are voiced, and are supposed to be protected. It is possible to conceive of a case where a number of members in the other House, finding the existing subdivision extremely suitable and convenient to themselves, though most unfair to a State as a whole, might desire to continue it. Or put the matter the other way. The other House might adopt a scheme which, being highly injurious to a State as a whole, taking it as an entity, was extremely suitable to the members themselves. In such a case the Senate would be called upon to exercise the responsibilities cast upon it by the Constitution. For that reason, and because the Electoral Act itself recognises and affirms that the scheme shall be submitted for our approval, I say that we have a clear proof that the Governor-General's speech was wrongly drafted when it addressed His Excellency's remarks upon this matter to the House of Representatives only. I say again that what I have remarked in reference to this matter has not been said out

of a desire to criticise the Government, or to find fault with the speech. Mine is criticism which I hope they will accept from me in the way it is intended. The sole object I have in view is to defend the rights and privileges of the Senate. When our Constitution was adopted, it was predicted that a seat in the Senate would come to be regarded as the blue ribbon of Australian politics. But I venture to say that the history of Federation has gone to show that, in public estimation, and in press estimation, the Senate is quite a subordinate factor. It can only take and keep its proper position permanently by those who occupy seats in it being determined to maintain its dignity. I will not say that we should merely maintain its dignity—because that is quite a secondary consideration. But we can only lose our position in reality by showing that we are absolutely incapable of looking after the responsibilities which the Constitution has imposed upon us. It is for that reason that I earnestly invite honorable senators to recognise the drift of things, and to realize how, little by little, this Chamber is being pushed into a subordinate position; and I especially invite the co-operation of those who made strenuous efforts to secure equal rights for the States in this Chamber, in order that we may not forego, in substance, what has been obtained in form in the interests of our respective States.

Senator WALKER (New South Wales) [4.59].—The Governor-General's speech on this occasion is a remarkable one. It is as remarkable for its length as the speech at the commencement of the last session was remarkable for its brevity. But, although it may be said in some respects to be an *omnium gatherum*, there are matters which are omitted from it to which reference ought to have been made. One is the matter of the repatriation of the kanakas at the end of this year, and the other has regard to the bookkeeping system, which may possibly come to an end at the expiration of five years from the establishment of the uniform Tariff. With regard to the kanakas, I feel very strongly. I lived in Queensland for many years, and I know that for over forty years kanakas have been coming from the Islands into Queensland. Numbers of them have settled there, have married, and have families. But at the end of this year, to all except those who have certificates of exemption, it will be

illegal even to give temporary employment I presume there is no nationality in the world which pays greater attention to humanitarian considerations than the British; but on the present occasion the facts appear to be in the other direction. The churches, to their credit, are greatly concerned in this matter. I am glad to see that Senator Dobson expressed himself very forcibly in a recent letter to the *Sydney Morning Herald*, which I, for one, read with great pleasure. Then the General Assembly of the Presbyterian Church in Queensland passed the following resolution:—

The Assembly, having had brought before it the fact that at the end of the year the Act relating to the deportation of South Sea Islanders will come into force, desires to record its conviction that the forcible deportation of men and women, with, in some cases, their children, who, by reason of long residence, marriage, and settlement, have become rooted to our State, and replacing them on islands which, through lapse of time, may become practically foreign to them, would be an inhuman act, which only the direst necessity could even excuse. The Assembly is of opinion that no such necessity exists in this case, and therefore strongly urges upon the authorities the propriety of discriminating between different classes of islanders in the administration of the Act, with a view of allowing such islanders as have been specified to remain in Australia, if they so desire, and of taking the necessary steps to enable them legally to find employment.

That resolution was unanimously adopted subsequently by the General Assembly of the same church in New South Wales. As a member of the Senate, I trust that honorable senators will support the Government in bringing in a Bill to give the desired relief, and thus prevent a stigma of inhumanity being hurled against, and attached to, the Commonwealth of Australia. Only this morning I read an extract from a telegram from Brisbane, in which the following appeared:—

A. H. Ussher, Government agent on a labour schooner, said that while in the Solomon group recently he discovered that there was a serious shortage of native food. They were unable to purchase supplies for the ship. The natives refused to believe that the labour trade had been stopped, and were not making any preparations for boys who were returning. As far as he could see the natives were not more friendly towards the whites than hitherto. The island of Fue, where it was proposed to land islanders in large numbers, was a swamp. He had heard of several outrages while in the islands. In one instance in the Malayta three bush boys were killed by mission boys, who ate two of their victims. The report is to be presented on 30th inst.

This, remember, is said by a Government agent, who can speak officially on the sub-

ject. I think there is one mistake in the telegram here, because I do not know an island named Fue. Our conduct to these poor islanders is in sad contrast to the conduct of two poor African women to the great African traveller, Mungo Park. With the permission of the Senate, I will just read a line or two in reference to this matter:—

Mungo Park has told us, in his interesting account of his travels in Central Africa, how he arrived one evening, destitute, hungry, and tired, at an African village, and was resting himself beneath the village tree, when he was found by two village women, who forthwith took him into their poor hut, where they fed him, and tended, comforted to his needs with true womanly compassion, as women will ever do under such circumstances. And he has further told us that when he was seeking slumber, they composed and sang a song concerning him, "The night was cold and dark, the poor white man, hungry and weary, came and sat under our tree; no mother had he to bring him milk, no wife to grind him corn; let us pity the poor white man, no mother has he to bring him milk, no wife to grind him corn." That is the song, rendered into English, which Park heard, and he tells us that it greatly affected him at the time, and which song was set to music by an English lady, I think it was the Countess of Huntingdon.

I have just been reading in the reports of the proceedings of the Federal Parliament, that the Prime Minister (Mr. Deakin) has said that the expulsion, or rather, the deportation, of the kanakas from Queensland, where they have made homes for themselves, is to be conducted with humanity, and, somehow or another (you cannot account for the vagaries of the human mind), the picture was presented to me of those two benighted Moslem women acting the Good Samaritan to our countryman, and then I thought of the kanakas, who are all Christians, being expelled "with all humanity." Humanity, indeed! The whole thing is an outrage upon humanity. It is a disgrace to the entire community. Australia, by its legislation, has, indeed, been made little of before the world, but by nothing has it been disgraced so much as by this atrocious act, which is without parallel in the world's history.

I do hope we shall all unite in supporting the Government in introducing if only a temporary measure by which these poor people until they can be deported, will at least be at liberty to earn a living. As to the book-keeping period, until Western Australia, where there is a much larger proportionate male population than in the other States, comes into line as to a *per capita* contribution to Customs duties, I see nothing for it, if fair play is our aim, but to continue the system for the present. The system is admittedly cumbrous, but it is, at all events, fair. In my opinion, it is premature to interfere with the so-called Brad-don section; three years hence will be soon

enough to consider whether to abrogate or to continue it at the end of the ten years prescribed. Taking some of the subjects in the order mentioned in His Excellency's speech, we find references to the New Hebrides, Papua, and Norfolk Island, and to none of these references do I take exception. In regard to the New Hebrides, I wish something could be done to put British residents there, doing business with Australia, in an equally advantageous position with the French settlers, who do business with New Caledonia. That may not be very easy to accomplish, but I hope that some attempt will be made in this connexion. We are aware that the French settlers have their goods received in New Caledonia on much more advantageous terms than are the goods of the British settlers, and some means should be devised to prevent a premium being thus offered to British subjects to become French subjects, and thus gain an advantage over those who remain loyal to the British Crown. It seems little short of ridiculous that Norfolk Island, which is, as it were, an appanage of New South Wales, should for Customs purposes, be treated as a foreign land, and in a degree the same remark applies to New Guinea, which is a quasi-territory of the Commonwealth. There are other matters mentioned in His Excellency's speech which I think worthy of mention. I have long been an advocate of the suggestion that the Federal authorities should, if possible, take the Northern Territory under their control. South Australia has behaved very patriotically, in that for so many years that State has borne the expense of the administration of that part of Australia. If the Commonwealth should acquire the Northern Territory, there will then be land under the control of the Federal Government, and those who believe in offering privileges to persons to settle, whether they are already resident elsewhere in Australia or come from Europe, would be in a position to present attractions which cannot now be afforded. As to old-age pensions, there is no doubt that in time they ought to be a Federal matter; but at present our finances do not warrant us undertaking the work. It seems a pity, therefore, that the States cannot arrange a system of co-operation amongst themselves, through a joint Commission, so that pensioners may be paid pensions in proportion to the time they have resided in each State. For instance,

Senator Walker.

if a man 65 years of age has resided 25 years in New South Wales, 10 years in Victoria, and 5 in Western Australia, or 40 years in all, let New South Wales contribute 25/40ths, Victoria 10/40ths, and Western Australia 5/40ths of his pension.

Senator Lt.-Col. GOULD.—Why discriminate between the different States?

Senator PEARCE.—Why did we federate?

Senator WALKER.—I mention this matter because I happen to know, as a fact, that in New South Wales at the present time there are old people who have been thirty years in Australia, but who, because they have not been twenty years in New South Wales, are not eligible for a pension.

Senator PEARCE.—Why not have a Federal scheme?

Senator WALKER.—I, unfortunately, know that what I am stating is a fact, because I am in a position to be frequently applied to for assistance. Therefore, I think the idea of a joint Commission to administer old-age pensions, until the Commonwealth takes up the matter, is not impracticable.

Senator Lt.-Col. GOULD.—Two or three States do not believe in Federal old-age pensions.

Senator WALKER.—But the idea is growing.

Senator Lt.-Col. GOULD.—I do not object to them.

Senator WALKER.—I do not believe in a land tax for the purpose of providing these pensions, and I do not think that during the present session anything practicable can be done by the Government in this connexion. Then, in regard to the so-called tobacco monopoly, as the Constitution does not allow us to nationalize any industry at present, there must be an amendment before anything further can be done. As to navigation and shipping, I shall reserve any remarks I have to make until I see the Bill. But I am, and have always been—and honorable senators will give me credit for this—in thorough sympathy with those who wish to make the conditions of the life of seamen more comfortable, wholesome, and safe. In fact, I am probably quite with Senator Guthrie in thinking that ordinary seamen have been treated in the most shameful manner in days gone by. But, unfortunately, seamen are not the only persons who have suffered. There are other persons on land who are also very unsatisfactorily treated by their employers; but that is a subject on which

I do not propose to enlarge now. A seafaring population is admittedly the hardest a country can have, as we have learned from European experience. In Great Britain, Denmark, Norway, Sweden, and Russia the sailors are the hardiest of the hardy; and I, for one, regret that in Australia the rising youth is not attracted to the sea.

Senator GUTHRIE.—Where are the British seamen to-day?

Senator DAWSON.—Out of work.

Senator GUTHRIE.—Seventy-five per cent. of the sailors on British ships are foreigners.

Senator WALKER.—As to defence matters, there seems to be such a wide difference of opinion amongst military and naval experts as to the best means of putting Australian defence on a satisfactory footing, that a mere layman like myself scarcely cares to venture an opinion. Until Australia has a much larger population than at present it seems to me that we shall have to look to the home country for naval defence—not merely for the defence of our country, but for the defence of our great commerce.

Senator MCGREGOR.—Denmark has not half the population that Australia has.

Senator WALKER.—How does that bear on the subject? Has Denmark a territory like that of Australia to look after? Has Denmark 8,000 miles of coast-line to defend?

Senator MCGREGOR.—There are foreign nations all around Denmark.

Senator WALKER.—When the time comes we shall, I hope, agree to be more liberal in our expenditure on naval defence. I do not think that any one objects to local defence so far as ports and harbors are concerned.

Senator GUTHRIE.—And coastal defence. Will the honorable senator go that length?

Senator WALKER.—Great credit is due to Victoria for her encouragement to the cadet system, and I am glad to think that the Commonwealth is, to some extent, going to take that State as an example.

Senator MULCAHY.—Why should not the Commonwealth do what the individual States did in regard to coastal defence?

Senator WALKER.—I agree with the honorable senator.

Senator MULCAHY.—We have not a torpedo boat for Tasmania.

Senator GUTHRIE.—And even the *Cerberus* is fitted with boilers that would not carry a 25-lb. head of steam.

Senator WALKER.—I believe that Parliament would be prepared to supply torpedo boats and so forth for all the States. I learn, with much satisfaction, that the training of the Naval Brigade is proceeding successfully. It is indeed pleasing to read the good account that is given of the Naval Brigade men who have gone on service on the training ships. As to the statement that, in making appointments in our Military Forces, it is proposed to give locally-trained officers the preference, I have only to say that if the local officers are equally efficient, they should, by all means, be given the preference. But we should not forget that we are a part of the British Dominions, and that being so, I fail to see why we should not secure the very best that the British Dominions can supply. I think we must all agree with Senator Styles that the system of exchanging military officers with Canada, India, and Great Britain, and of sending officers to England to gain special instruction, is a very sensible one. Passing on to other subjects, I would say that the Government are deserving of every credit for the promptness with which they have introduced and carried their redistribution schemes in another place. Every one must agree that it is well that no time should be lost in putting the rolls and the whole of the electoral machinery in order for the next general election. I am at one with Senator Millen in the belief that the Senate, as the States' House, is entitled to take a very deep interest in the redistribution schemes. Unfortunately, there are some men so constituted that they are inclined to consider only the question of whether a redistribution will suit them personally. A friend of mine, speaking of one of the redistributions, said, "It is all very well, but I find that there have been included in my electorate 5,000 men who are opposed to me." Of course he will have to face the inevitable, but if every member of another place had dealt with the redistribution solely from the stand-point of whether or not he was likely to be injured by it, it would not have been passed so speedily.

Senator HIGGS.—If it were suggested that each of the States should be divided into six electorates for the Senate, would you approve of that being done?

Senator WALKER.—No; I should object to it. I indorse the remarks made by Senator Millen as to the paragraph in the speech relating to expenditure, which is addressed only to the members of another

place. I had made a note of the matter, but what I intended to say has been so well put by Senator Millen that it is unnecessary for me to make any further reference to the matter. I cannot help thinking, however, that the speech would have been differently worded if we had had two responsible Ministers holding portfolios in the Senate. They certainly would have taken care to protect our constitutional rights. I was indignant when I found that we were, so to speak, set aside, and that no reference was made to the Senate in that part of the speech dealing with Bills relating to expenditure which must originate in another place. If we do not stand up for the privileges to which we are entitled under the Constitution, they will gradually disappear, or, at all events, they will become a dead letter. I come now to the question of the Tariff. It is quite true, as Senator Styles has said, that it was the desire of Mr. Reid that the question of free-trade *versus* protection should be fought out at the last general election. Mr. Deakin, who was then Prime Minister, raised the cry of "fiscal peace," and agreed that if that peace was to be broken, notice should be given by the 1st May last. It was certainly not to be broken during the life of the present Parliament. It was simply stipulated that notice should be given in time to enable us to deal with the matter at the next general election. In these circumstances, it seems to me that, so far as the Tariff is concerned, we should not do more than remove anomalies during the present session. To my mind, we have had too many Royal Commissions. Those who have acted on them have done good work, and are deserving of the thanks of the country, but I certainly object to the undue multiplication of such bodies. Ministers should not avoid responsibility in this way, but should rather seek to obtain the information they require by means of their own officers.

Senator GUTHRIE.—What about the Commission that the honorable senator desires to have appointed to deal with the question of old-age pensions.

Senator WALKER.—That would be a joint States Commission, and would have nothing to do with the Federal Parliament. New South Wales is spending £500,000 or £600,000 on old-age pensions, and has a right—

Senator PLAYFORD.—The Premiers met recently in Sydney and passed a resolution

unanimously, so far as I am aware, in favour of the old-age pensions systems of the States being taken over by the Commonwealth.

Senator WALKER.—We can take them over when we have the money to pay them, but we have not at present the necessary funds. We all know that the Prime Minister lays great emphasis on the desirableness of attracting population to Australia. Senator Millen has said, very truly, that we do not want to attract to our shores men who will loaf about the towns and cities of the Commonwealth. What we require is a class of men who will go on the soil—who will go into the bush, and be prepared to play the part of pioneers.

Senator PLAYFORD.—It is only proposed to establish in London an office through which Australia can speak with one voice. The Commonwealth cannot deal with the question of immigration, because it has not the land on which to put the people. The matter must be dealt with by the States.

Senator WALKER.—At present we have in London an office connected with the Defence Department. If a High Commissioner were appointed, that office could be placed under his control, and those seeking information as to Australia would have no difficulty in gaining it. I do not know why the Government have not the courage to bring in a Bill for the appointment of a High Commissioner. I could name five men, any one of whom would capably discharge the duties of the office.

Senator PEARCE.—Are they the five honorable senators opposite?

Senator WALKER.—Let me name them. In the first place, I would mention Sir George Turner, who, if his health permitted, would fill the position well. There is another gentleman whose appointment would be very acceptable to the people, but I am afraid we could not spare him. I refer to the Prime Minister, Mr. Deakin. Still another gentleman whom we could not spare very well, but who would, nevertheless, be a capable representative, is Mr. Reid. No one could object to his appointment. He is a splendid platform speaker, a practical business man, a lawyer, and a legislator. Still another gentleman who would fill the position satisfactorily, and whom we all respect I hope, is Sir John Forrest. Why should any exception be taken to his appointment? In London he is *persona grata*; he has been an ex-

plorer; for ten years he held office as Premier of Western Australia, and he has also been a member of two or three Federal Ministries. Finally, we have Senator Symon.

Senator PLAYFORD.—Why leave me out of the list? I have been an Agent-General.

Senator WALKER.—Because we could not afford to lose the honorable senator. If we appointed a High Commissioner, he could act in conjunction with the Agents-General of the States, and a committee so constituted would be a capital one to confer with the financial authorities at Home with regard to the federalization of our debts. Senator Millen has said that there is nothing to be gained by that process. Perhaps under present conditions he is not far wrong, but I would remind him that it is still possible for us to create Australian Consols, which, like British Consols, would be interminable, and that we should thus avoid the heavy expense incurred in refloating loans. If Australia is to go ahead, she must have more population. I have before me figures supplied by the Government Statistician of New South Wales, which, from my point of view, are very unsatisfactory. It would appear that for the five years ending 31st March last, the net increase in the population of the Commonwealth by excess of immigration over emigration was only 6,576, an average of 1,315 per annum, or 109 per month. Can we believe that this vast territory of ours is incapable of absorbing a greater number of immigrants? There must be some reason for this.

Senator PEARCE.—The mortgages held by the banks.

Senator WALKER.—I have no desire to hurt the feelings of honorable senators opposite, but I repeat that there must be some reason for this slow growth.

Senator MILLEN.—There are fourteen reasons in this Senate.

Senator WALKER.—One reason why we should not make much profit now by the federalization of our debts is that all the States loans have been constituted trustees' securities in Great Britain. There was a time when they were not so eligible, and I took some trouble to communicate with London financiers on the subject. I was then of opinion that if the States loans were consolidated and made eligible as trustees' securities, a great saving in the annual charge for interest would be effected. That

hope was, to a large extent, dissipated when the individual State loans were elevated to the rank of trustees' securities. What was thus prospectively lost to the Commonwealth should have been a corresponding gain to the States, but for various reasons that cannot be said to have been the case so far. We cannot take over all the debts of the States unless the States themselves ask us to do so, for under the Constitution we have power only to take over the debts as they stood at the inauguration of the Commonwealth. Since then there has been a considerable addition to the national debt of Australia. I propose now to refer to the position of the High Court. The time has come for the appointment of a fourth Judge. We have been very fortunate in having on the High Court Bench three Justices who, during the last two and a half years, have been so free from sickness that only on two days during this period has the discharge of their duties been interfered with by reason of their indisposition. What would be the position if one of the High Court Justices took ill? The whole of the machinery of the Court of Appeal would have to be suspended, because there must be a Bench of three Judges.

Senator MCGREGOR.—Can the honorable senator name five men who would be suitable for the position?

Senator WALKER.—I could name a dozen. Some people say that they object to political appointments. My experience in Australia is that politicians, when they are elevated to the Bench, endeavour to act judicially, and forget that they have been in politics.

Senator MILLEN.—The honorable senator will see that the objection is not so much to a political appointment as to a political self-appointment.

Senator WALKER.—I can scarcely imagine that a man would appoint himself. The Cabinet will make the appointment. At all events, the business of the High Court now requires the services of four Judges, and I intend to support the Government when they bring in a Bill for the purpose.

Senator DOBSON.—Does the honorable senator know that the business does require the appointment of another Judge?

Senator WALKER.—Certainly. In days gone by the Senate and the other House wrangled for a long time over the question of the Capital site, but now Victoria

apparently wants to monopolize Riverina, and if she succeed with her claim, she might, after all, have the Federal Capital in her territory.

Senator MILLEN.—It could not be in Victoria, because the Constitution says that it must be in New South Wales.

Senator WALKER.—I am afraid that the Federal Capital is going to be in the clouds for a little while longer. I fear that nothing practical will be done during this session. One great advantage in having a Federal Capital would be that we should all live away from home, stick to our work, and get it done as quickly as possible. Our Victorian friends would then have an experience of what we have to do to-day. Let them travel 500 or 600 miles twice a week, and see how they will like the experience.

Senator DAWSON.—Does the honorable senator mind stating what is his objection to Victoria having her rightful claim to Riverina met.

Senator WALKER.—That is not referred to in the speech. In New South Wales the question of the Federal Capital is still a burning one. In the opinion of not a few persons it is a shame, not to say a legislative scandal, that New South Wales has so long been deprived of her statutory right. I propose to read one or two extracts from a reply which Mr. Carruthers addressed to Mr. Crouch, and which has not yet been published—

In reply to your letter with reference to the proposed selection of a site for the Capital of Federated Australia, I beg to say :—

1. That if Dalgety be finally and permanently chosen as the future Federal Capital, despite the respectful protest of the Government and Legislature of New South Wales, there must of necessity be created a widespread and deepest sense of a grievous wrong done to the people of this State. What the consequence of such matter will be I am unable to foretell, nor can I commit the Government as to its policy, but it is manifest that the current of Federal affairs will for a long period be endangered by the existence of an unredressed grievance of this character.

2. The people of this State will be satisfied if a site is selected according to the spirit of the Constitution and agreement understood to have been made to induce New South Wales to become a party to the Federal union.

Mr. Carruthers then quotes the full text of the resolutions passed by the New South Wales Parliament on the 14th December, 1904, and adds—

Those resolutions were communicated to the Prime Minister on 22nd December, 1904, and so far have not been considered by the Federal Parliament. I feel quite sure that if these resolutions

were so considered in the spirit in which they have been passed by the New South Wales Legislature, matters would the sooner reach a stage of amicable agreement.

3. I think it can be plainly seen that it is my duty to advise that New South Wales stands committed now to any one of the sites already mentioned, viz., Yass (including Lake George), Lyndhurst, and Tumut, and the acceptance of any one of these sites by the Commonwealth Parliament will terminate the present situation. Personally it is not open to me in my position to express a preference for any one site in particular, but it is a duty imposed on me to assist the Commonwealth with any facts or information to guide it to a wise decision in respect of the three sites.

So that three sites are definitely offered to the Commonwealth.

Senator PLAYFORD.—We had Dalgety definitely offered us, and we accepted the offer, but when we did they went away from their undertaking.

Senator WALKER.—Dalgety was not definitely offered, but merely recommended as a suitable place by a Commissioner.

Senator PLAYFORD.—It was recommended by Mr. Oliver.

Senator WALKER.—It was never offered by the State Parliament.

Senator PLAYFORD.—It was offered by the Premier of New South Wales, but under the Constitution we can go where we like.

Senator WALKER.—I propose now to say a few words with which my honorable friends from Western Australia will agree, and that is with regard to the trans-Australian railway. It is my earnest hope that the Government will lose no time in bringing forward a Bill to authorize a preliminary survey of the line. The information thus acquired should prove extremely useful. Suppose, however, that it should prove unsatisfactory, we need not go on with the project, but if it should prove satisfactory, perhaps persons outside Australia might think it worth while to come in and offer terms.

Senator MULCAHY.—No; we are not going to have any syndicates.

Senator WALKER.—I look upon the proposed trans-Australian railway as a strategic one, and in the course of time it would become a mail route. It would also be used for defence purposes. I have more than once addressed meetings in New South Wales, but I have never heard the people object to the little outlay necessary to get this work done. Did not the people of Western Australia largely

accept the Commonwealth Constitution Bill under the impression that sooner or later they would get this railway constructed?

Senator DOBSON.—No.

Senator WALKER.—Of course they did.

Senator PEARCE.—The honorable senator is quite correct.

Senator WALKER.—I was over in Western Australia twice, and I have not forgotten Senator Pearce's eloquent address on the subject. It ought to have converted any one to support the survey who was capable of being converted. I hope that time will permit the Government to give effect to their proposals to take over the Quarantine and Meteorological Departments. There can be no doubt that quarantine ought to be a Federal matter. I do not think that any State can very well afford to bear all the expense which is required for making meteorological observations. Under the Commonwealth, this matter would be placed on a good business-like footing. In Queensland, when Mr. Clement Wragge was Government Meteorologist, steamers never thought of going to sea without seeing his forecasts, and sometimes postponed their departure. The forecasts were very useful, and wonderfully accurate. Of course there are a number of other Bills mentioned in the speech, but there I look on as mere padding, like the goods one sees in the windows of a drapery establishment—merely put there to attract attention. I cannot believe that we shall not have a large "slaughter of innocents" at the end of the session.

Senator PLAYFORD.—Will the honorable senator just mention a few of them?

Senator WALKER.—Is the Bill relating to industrial designs likely to be carried?

Senator PLAYFORD.—That will be passed.

Senator WALKER.—Will the further legislation about patents and trade marks be passed?

Senator PLAYFORD.—That will be all right.

Senator WALKER.—Will the proposal relating to the Seat of Government be carried too?

Senator PLAYFORD.—We only promise to bring these matters before the Parliament.

Senator WALKER.—Is the Bill for the appointment of a High Commissioner to be passed? Again, are the Bills referring to lighthouses, weights and measures, and the occupation of Government House to be put through?

Senator PLAYFORD.—They will all be brought forward, but whether they will all be passed I do not know. The "slaughter of the innocents" is not the work of the Senate, but of the Government at the end of the session.

Senator WALKER.—In Sydney the Prime Minister spoke of his party being the Australian party, and he joined in the narrow shibboleth of "Australia for the Australians." Who are the Australians? The aborigines are the true Australians.

Senator PLAYFORD.—Oh!

Senator WALKER.—The honorable senator is not an Australian, but a British-Australian.

Senator MACFARLANE.—He is an importation.

Senator WALKER.—He is a very useful importation. Now, who are the genuine Australians? Is it the persons who happen to be born here? Is a Chinaman's son or daughter born here an Australian? If there is to be a political cry at all it should be "Australia for the British," not "Australia for the Australians," and by the British I mean, of course, the people of the United Kingdom and Ireland.

Senator GUTHRIE.—The honorable senator would exclude all Continental people?

Senator WALKER.—These would become British upon naturalization. In South Australia there are thousands of Germans who have become naturalized British subjects. They are, therefore, British.

Senator GUTHRIE.—No.

Senator WALKER.—In Queensland the sons of naturalized Germans are coming to the front very rapidly. I could name a young barrister, who I dare say will be upon the Bench before long, who is the son of a German.

Senator PLAYFORD.—In South Australia we have them upon the Bench already.

Senator WALKER.—Then they are British. There is a point on which I am afraid that the Senate will not give me much attention, and that is with regard to the Japanese. Recently we had a visit from a Japanese fleet. Japan is now recognised to be in the first rank of the nations. The Japanese seemed to be very pleased with their reception here, with the exception of a slight *contretemps*, to which I shall not refer. Seeing that Japan is recognised as our ally, could we not have some system of passports established by which they could enter, go through our country, and depart?

Senator DAWSON.—By whom is Japan recognised as our ally?

Senator WALKER.—By the mother country, and I have yet to learn that Australia is not part of the British Empire.

Senator DAWSON.—Australia was never consulted.

Senator WALKER. — The honorable senator has a “bee in his bonnet.”

Senator DAWSON.—The honorable senator knows very well that I have not. He might think that I have a writ in my pocket.

Senator WALKER.—Could we not have a system of passports established, under which Japanese could come in, go through the country, and depart?

Senator MULCAHY.—Is not that very thing being done every week?

Senator WALKER.—I do not think so. Was there not at one time in Queensland an arrangement with Japan, by which 2,000 Japanese could enter, provided that they departed within a certain time, and when they left, other Japanese to that number could enter?

Senator DAWSON.—Yes; they came as plantation workers under an agent, and remained while he went home.

Senator WALKER. — Queensland is large enough to hold 2,000 Japanese. It is not my intention to say very much on this subject, but I think that the time has come when we should get rid of this old prejudice about colour. There are some men in the Federal Parliament who, if we were to draw a sharp line in the matter of colour, would probably have some difficulty in getting in. We have only recently passed a resolution saying that we deeply deplore the death of a gentleman who took a fine and Imperialistic view of things. Mr. Seddon has been held up by the Labour Party as being almost all that a man should be. But he did everything he could to encourage immigration into New Zealand.

Senator O'KEEFE.—White immigration.

Senator WALKER.—But honorable senators opposite will not even encourage white immigration. Some of the best immigrants we ever had while I was living in Queensland were nominated immigrants.

Senator O'KEEFE.—The immigrants who went to New Zealand had a chance under the protective Tariff to get work, and under the land laws to get on to the land.

Senator WALKER.—I propose to refer to a matter in which Mr. Seddon showed a much broader spirit than, I am sorry to say, our own Prime Minister did. I refer to the Commonwealth interference in the matter of the Natal court martial. We have papers in our hands giving the correspondence. I cannot refrain from quoting the excellent telegram of Mr. Seddon to our Prime Minister, which shows that he was a highly sensible man. It was as follows:—

Quite agree with you that any interference with the constitutional rights of any self-governing colony should be strenuously resisted. Before taking any direct action, however, the press telegraphic communications being so meagre and conflicting, Government of New Zealand wish to be fully acquainted as to the actual facts, and to that end have requested Governor of New Zealand cable Secretary of State for the Colonies for further particulars. Hesitate to believe Imperial authorities would deliberately interfere with constitutional rights of the self-governing colony. When so many human lives were at stake, and the trial having been by court martial, and that not at a time of war, postponement to enable full information as to legality of sentences may have been all that was actually done by Secretary of State for the Colonies.

He was right, and we were wrong. Our Prime Minister, who actually voted in favour of a resolution on Home Rule, by means of which we interfered to some extent with the mother land and her policy towards Ireland, objected to the mother country sending a telegram to Natal to elicit information as to the meaning of certain events! In other words, we maintain our right to petition the mother country and to interfere in her domestic policy, but when the mother country writes to one of her daughter Colonies for information, we protest! It is simply outrageous.

Senator HIGGS.—Does not the honorable senator remember Mr. Seddon's threat to cut the painter?

Senator WALKER.—No, I do not; but no doubt he grew more sensible and conservative as he grew older. In the beginning of a new session it is far from my wish to speak harshly of those to whom I am politically opposed; but I cannot help deploring an apparent tendency to legislate for one section of the body politic rather than for all classes equally. It is my sincere desire to see Australia progress on such lines that those who come after us will bless, and not curse, the legislation initiated by us in the early days of the Commonwealth; which I hope our descendants will be able truthfully to describe as great, glorious, and liberty-loving.

Senator MULCAHY (Tasmania) [5.52].—I think there is a disposition to emulate the very good example of another place last night, and not to prolong the debate on the Address-in-Reply. Therefore, although I really have a good many remarks to make I will reserve a considerable portion of them for a better opportunity. Still, there are some things which I think need to be said as early in the session as possible. I think that Tasmania has good reason to be dissatisfied with the very vague references in the Governor-General's speech to questions of finance. The finances of Tasmania have been much more seriously disorganized than those of any other State, not even excepting Queensland. Queensland suffered to an enormous extent, but not proportionately in comparison with the wealth of the country as Tasmania has done. I do not know whether honorable senators have been made aware of the extent to which Tasmania has suffered. The Treasurer of the Commonwealth last year, in the preface to his Budget, referred to what had been lost or gained by the various States through the operation of the Federal Customs Tariff. Tasmania, according to the right honorable gentleman, lost in five years no less than £796,000. I do not think his figures were quite correct. I am not arguing about the extent to which the people have suffered. I am pointing out the tremendous additional obligation or responsibility placed upon the Government of Tasmania in trying to make good such portion of that loss as was necessary to balance the finances of the State.

Senator BEST.—It was a mere dislocation of finances.

Senator MULCAHY.—It was something more than a dislocation. I will not say that it has not been accompanied by very much advantage to the people, though not by any means a corresponding advantage. I do not think that the £796,000 have been left in the pockets of the people of Tasmania. There has been a considerable diversion of trade to the benefit of our manufacturing friends in Victoria. Previously, they paid 20 per cent. on their goods imported into Tasmania. Now they have the benefit of the open door.

Senator BEST.—That is reciprocal.

Senator MULCAHY.—Oh, yes; but still, as every honorable senator knows, the balance of trade is altogether in favour of Victoria. As to the States debts, I regret

to observe that, apparently, nothing is going to be done. Previous to Federation many of us had the idea that there would be a consolidation of debts, and that a great advantage would accrue to the States from the security of the Commonwealth. But six years have passed, and as yet no practical steps have been taken in that direction.

Senator STANFORTH SMITH.—At the conference in Hobart, Sir George Turner made a most liberal offer, and the States Treasurers refused to accept it. It is not the fault of the Commonwealth that nothing has been done.

Senator MULCAHY.—I am aware of the immense difficulties which stand in the way. Nevertheless, I think that a true Federal spirit has not been shown. The Commonwealth might very well have taken over some millions of the debt of Victoria and some millions of the debt of New South Wales out of the conversion loans that have had to be floated since Federation. Why not proceed gradually?

Senator O'KEEFE.—Because the Constitution would not allow it.

Senator MULCAHY.—That seems to be the most practical way to proceed. If the Commonwealth took over a portion of a State's debt as it fell due, we should be able to form an idea as to whether the Commonwealth security would secure cheaper money than the individual States have been able to obtain.

Senator O'KEEFE.—An alteration of the Constitution would be necessary for that to be done.

Senator MULCAHY.—I do not agree with making alterations of the Constitution until there is grave need.

Senator BEST.—It would have to be done to carry out the honorable senator's wish.

Senator MULCAHY.—According to the Governor-General's speech certain bonuses are to be offered to encourage industries, and there is some talk of preferential trade. There has also been some kind of promise that Parliament would this session deal with Customs duties. I hope that we shall not. I hope that when we start to amend the Tariff we shall take the whole of it into consideration, and not amend it piecemeal. If this Parliament in its closing weeks rectifies certain anomalies in the Tariff it may make alterations in one direction, whilst the next Parliament, composed of different men may make different

alterations entirely. It is advisable that when the amendment of the Tariff is taken in hand the work should not be screwed in towards the end of the session. Indeed, to undertake Tariff revision this session seems to me to be almost absurd, inasmuch as we have appointed a Royal Commission, which has done an immense amount of work, to inquire into the working of the Tariff. It is not desirable, until the Commission's work is complete, that we should proceed to deal with the subject.

Senator PLAYFORD. — It is complete in some respects. The Commission says, for instance, "You can now deal with spirits; here is our report complete."

Senator MULCAHY. — There is no doubt that the Tariff is full of anomalies, but I doubt whether we ought to start to alter it this session. An alteration of the Tariff ought not to be taken in hand lightly. It is the function of the Government to think over the matter carefully, and to bring down a thoroughly prepared scheme. There are other questions to be considered, apart from the operation of certain duties upon certain industries. If, for example, the alterations made in the Tariff reduce the revenue from Customs, how is Tasmania to make good the deficiency? She already stands with an enormous loss, as compared with the year before Federation, through the decrease in Customs and the increase in departmental expenditure. According to the Tasmanian Statistician, her loss last year was £232,759. That is an enormous deficiency for a little State like Tasmania, which already is the most highly taxed State of the group in respect of direct taxation. Our direct taxation has gone up from 12s. per head in 1902 to 24s. 3d. per head in 1904-5.

Senator BEST. — There has been a decrease per head in Customs taxation.

Senator MULCAHY. — It is impossible to get people to see that they are getting cheaper goods in consequence of reduced duty. I know personally that they are doing so, but the public do not understand that. Besides that we all know that it is human nature to object to direct taxation. It is human nature in a Treasurer to try to avoid the imposition of such taxation as far as possible. At the same time, Treasurers have been forced to adopt it, and in Tasmania, although we have been successful in balancing the ledger, we are paving our way, and no more at the present time. We are not reducing our ac-

cumulated deficiency, and are, unfortunately, neglecting a number of works which have been constructed out of loan moneys, and which it is our duty to keep in repair out of our own revenue. Tasmania has great difficulties to face, and has a right to expect every consideration from the Federal Parliament. I do not mean to say that we ought to ask for any special grant; I should never advise such a step. Rather than that, I would see Tasmania taxed even more deeply than now; but, at the same time, consideration must be paid to the circumstances of the little State. In my experience of Tasmania for over fifty years, I have seen how the greater and more prosperous States, owing to their proximity, have, time after time attracted the very bone and sinew of our population. Stalwart young immigrants, who in my early days were brought to Tasmania by my own people and others under the bounty system, and who found they could there enjoy 50 per cent. or 100 per cent. more prosperity than they could in the old country, soon found that if wages were 8s. a day in Tasmania they were 10s. or 12s. on the mainland.

Senator BEST. — How can the Commonwealth help to remedy that state of affairs?

Senator MULCAHY. — I should like to see some adjustment of the finances by the Commonwealth. It is not for me, but for the Commonwealth Government of the day, which represents all the States, to take into consideration the financial condition of the various States, and to devise a scheme. My complaint is that no account is being taken of the present state of affairs.

Senator KEATING. — Does the honorable senator not think that the Commonwealth Government made a very good offer in regard to Tasmania when the Premiers were assembled in Sydney?

Senator MULCAHY. — I have not been able to analyze the offer which was made, and, so far as Tasmania is concerned, I do not know whether it has been accepted or rejected.

Senator KEATING. — It has been rejected.

Senator MULCAHY. — There is no intimation in His Excellency's speech that any attempt is to be made to ease the conditions, which may be only temporary in Tasmania. There is another matter which seriously affects Tasmania, and which, to my mind, is one of the blots on Federation — that is the wretched bookkeeping system, which is absolutely un-Federal.

Senator WALKER.—It is absolutely fair in the meantime.

Senator MULCAHY.—Is it fair in the meantime? We have federated not for this year or next year, but for all time, and the State which needs help now may be able to give it at some future period. It happens just now that Tasmania is one of the poorest, and, as she must always remain, one of the smallest of the States.

Senator PEARCE.—Does the honorable senator want the taxpayers' money for Tasmania?

Senator MULCAHY.—I know the difficulties of Western Australia, but I am addressing more particularly Senator Walker as a representative of New South Wales. I wish Tasmania to participate in some of New South Wales' superfluous wealth, because we do not know when the time may come when New South Wales may want to participate in the surplus wealth of Tasmania.

Senator WALKER.—It will be a long time before that occurs.

Senator MULCAHY.—I hope it will not be a long time. We are, as I say, federated for all time, and until this wretched book-keeping system is abolished we shall not really have a true and full partnership.

Senator BEST.—But for the unfairness that would result to Western Australia, it could be abolished at once.

Senator MULCAHY. — Special conditions were made for Western Australia, and there is power to make other special conditions even now.

Senator WALKER.—I desired to have a special arrangement made for Tasmania.

Senator MULCAHY.—But a special arrangement was not made for Tasmania, and there should have been.

Senator PEARCE.—There has been a loss to Western Australia of over £400,000.

Senator KEATING. — Close on half-a-million.

Senator MULCAHY.—Although we may not share in Western Australia's prosperity, Tasmania is asked to bear her share *per capita* of the cost of the proposed Transcontinental Railway.

Senator PEARCE.—It was not Western Australia who asked for that, but the late Treasurer, Sir George Turner.

Senator MULCAHY.—The Tasmanian Government are faced with tremendous difficulties. While not afraid to tax the people of that State, and ask them to pay their way, I know that the consequences would

very likely be what they were when a similar step was taken before. People will be driven out of the State; in fact, I regret to say that people are now leaving Tasmania in greater numbers than they are arriving by immigration. I should now like to say a word about preferential trade, which I see is mentioned in His Excellency's Speech. That is a question we should not look at too narrowly. I am speaking of preferential trade as affecting the Empire and Australia, and I believe that we can, and ought, to give preference to goods which must be, and which are, imported from Great Britain and British States. To say that we cannot do that except in one particular way is almost an absurdity. We annually import a very large quantity of woollens and worsteds, and, whatever the Tariff may be, there will always be imported, for certain classes of the community, particular commodities for which they are prepared to pay, and will insist on having. It would take a great many years, under any system of protection, before we should be able to manufacture all we want in the way of the varieties of woollen goods which are now imported, and which are necessary for fashion, durability, and other reasons. Of the large amount of such goods imported, much comes from Germany and France; and there is an all-round imposition of a duty of 15 per cent. Why should we not, if we wish to give preference, and cannot afford to relinquish the duty, charge 20 or 25 per cent. on the foreign goods? Would that not have the effect, to a very large extent, of diverting the trade to where we would like to see it? That seems to me a patriotic and business-like proposal, and an advance towards that proper Imperial spirit we wish to encourage.

Senator HIGGS. — Suppose the local manufacturer objects to give a preference to that extent?

Senator MULCAHY. — But the local woollen manufacturer would still enjoy the protection he has now against British goods, while having still larger protection against German and French goods. I do not propose that we shall lower the present duty on woollens; on the other hand, I think it might very well be increased without causing any hardship. The duty might be made 20 per cent., a rate of which I have had some experience in another State, and which was found not to be excessive.

Senator DE LARGIE.—Would the honorable senator force protection on the people of England, for instance, who have declared for free-trade?

Senator MULCAHY.—I am not forcing anything on England, but rather trying to give the cold shoulder to goods from other countries, and to create a diversion in favour of the old country. If the people of Great Britain reciprocated with a reduction on our wines, or some other commodities, so much the better. That is one aspect of preferential trade, but there is another, on which I speak with some delicacy. Between the late lamented Mr. Richard Seddon and the Prime Minister of the Commonwealth there has lately been some exchange of ideas with the object of submitting certain proposals to establish preferential trade between New Zealand and Australia. It is hard for one to offer any opinion on that matter until we know what articles are proposed to be the subject of preference. It must not be forgotten, however, that certain States, or, at any rate, certain people in some of the States, agreed to Federation because it established at once Inter-State free-trade—because it removed the fiscal barriers between the States of Australia. Many of those people consider that up to the present time that is the only advantage gained from Federation. There are a great many people, I am sorry to say, who think there has been no other advantage from Federation, and who judge the union, after five or six years' experience, as if that were all it was going to accomplish. I do not hold with any opinion of the kind, but there are many who regard the removal of the Customs barriers, as affecting their own business or line of production, as the one advantage of Federation. Are we going to admit New Zealand to a partnership, of which she will enjoy the benefits without suffering the supposed, or otherwise, corresponding disadvantages? That is a question which is being very seriously asked in Tasmania. There are external duties on hops, potatoes, and other commodities, the Tasmanian producers of which are entitled to ask whether they are to be deprived of the advantages given to them in the freedom of the Melbourne and Sydney markets. As I say, this is a subject one would like to treat with great delicacy, but I hope to hear some statement of the intentions of the Government.

Senator KEATING.—I do not think the honorable senator need worry very much about that.

Senator MULCAHY.—I am glad to hear that reply from Senator Keating, who, like myself, is concerned in safeguarding the interests of Tasmania. I should like to make some reference to a question in which, as often happens, a politician is apt to be placed in a false position. I have always been a believer in, and an advocate of, special taxation on land, as land. I have also been a believer in, and, as a member of a State Cabinet, I succeeded in imposing, the principle of progressive taxation, whether applied to land or income. Thirdly, I am a believer in the principle adopted in nearly all Australian mining legislation that the possessor of land under a mining lease should either use that land or allow others to do so. Therefore, if I am asked broadly whether I am in favour of a progressive land tax for the purpose of securing increased revenue from the people best able to pay, or, incidentally, securing, it may be, the bursting up of big estates, I say that on the whole I am. But, although I admit those principles, if, in the Federal Parliament, I find it proposed, as one is inclined to think it will be proposed, to impose a land tax, not for the purposes of revenue, but for the purpose of bursting up big estates, then I say at once I cannot support such a measure. I was not sent here by Tasmania to do anything of the sort. If there is one principle stronger than another in the Constitution it is the limitations of Commonwealth powers; and I object to either the powers of the Constitution, or any of its machinery, being used for a purpose not intrusted to us. I hear cheers from some honorable senators opposite, but they forget that already some of them have approved of exactly this thing being done. The Post Office, under the Post and Telegraph Act, has been specifically used to check gambling in Tasmania. I am not going to enter into the morality of the question. But the morals of Tasmania were not handed over to the Federal Parliament, and when the machinery of the Post Office was used to interfere in a question which was open to the Tasmanian people only to deal with, it was wrongly used, and a dangerous precedent was established.

Senator BEST.—Surely the honorable senator does not suggest that the Common-

wealth Parliament went outside its powers in enacting postal legislation?

Senator MULCAHY.—I shall not split hairs with the honorable senator; I am merely expressing my views. It would have been very much better, from a certain point of view, if the Commonwealth had left Tasmania alone in this connexion. If Federal machinery was used to bring about a purpose not included in the thirty-nine articles of the Constitution, it was wrong.

Senator DE LARGIE.—Does the honorable senator object because Federal legislation has improved the morals of Tasmania?

Senator MULCAHY.—Federal legislation has not improved the morals of Tasmania, neither has it succeeded in what it sought to achieve. The Post and Telegraph Act, instead of decreasing the business of Tattersall, has increased it. I do not intend, however, to go into that question at present; I wish merely to point out how dangerous these principles are. I have not been sent here to assist the Federal Government to levy a land tax for the purpose of bursting up big estates. That is a power reserved for the Legislatures of the States. It is one of their sovereign rights, and I am surprised that the Prime Minister of Australia should be found on the platform practically advocating such a measure. As a matter of fact the Ministry have spoken on this question with three voices. We have the speech of the Prime Minister in Adelaide; we have the utterances of Mr. Deakin in Sydney, and we have the interview with Sir John Forrest somewhere else. In each case distinctly different opinions have been expressed.

Senator O'KEEFE.—The honorable senator does not say that we have not the power under the Constitution to pass such a measure.

Senator MULCAHY.—I do. I say that the Constitution makes no provision for the bursting up of big estates. It gives us full power to impose direct taxation. As a source of revenue a land tax is quite legitimate. The imposition of progressive taxation is well within the powers of the Federal Parliament so far as progressive taxation is intended to make the rich man pay in greater proportion. But if we imposed it avowedly to burst up big estates—and it would have to be a very high tax to do so—we should take a power that has not been delegated to us, and even if we did not go outside the letter of the Consti-

tution, we certainly should violate the spirit of it. Therefore, although I agree with the principle of land taxation, and should like to see such a policy adopted in Tasmania, I should give my unqualified opposition to such a proposal on the part of the Federal Government.

Senator DE LARGIE.—If the honorable senator believes in a land tax, why not let us have it by any means that are fair?

Senator MULCAHY.—I am not going to assist the honorable senator or any one else to advance one inch, either directly or indirectly, towards unification without the express consent of the people of the Commonwealth.

Senator PEARCE.—The honorable senator desires disintegration; he wants the people to give up their powers.

Senator MULCAHY.—No.

Senator DOBSON.—He does not wish the Parliament to abuse its power.

Senator MULCAHY.—One matter with which I desire to deal—and I shall curtail my remarks upon this subject since I shall have another opportunity to devote myself to it—relates to the regulations drafted under the Commerce Act. Honorable senators will doubtless have noticed that I put three questions this afternoon to the Minister representing the Minister of Trade and Customs in the Senate. I am sorry that I cannot congratulate the Minister on having given me a satisfactory reply. I knew when I framed the questions that they were exceedingly difficult to answer. They were as follow:—

1. Whether the goods referred to in section 15 of the Commerce Act as "Apparel" and "the materials from which such apparel is manufactured" include all goods, materials, and articles mentioned in Division V. of the Customs Tariff Act under the general heading "Apparel and Textiles?"

2. If so, will the Minister cause to be prepared and laid on the Senate table a list of all goods, &c., coming under this general description, compiled from the Official Guide to the Tariff and the records of Customs decisions.

3. In the event of the answer to question 1 being in the negative, will the Minister for Customs furnish a list of such goods as the Commerce Act is intended to apply to under the description of "Apparel, &c.?"

What is our position in regard to this?

Senator BEST.—Those questions are posers.

Senator MULCAHY.—I knew they would be; but the Government were warned. Senator Pulsford and I drew attention some time ago to the wide variety

of things coming under the heading of "apparel." What was the Commerce Act designed to do? I shall have to be somewhat severe in dealing with this question, but do not wish to approach it from a partisan stand-point. The purpose of the Act is a good one, the desire of the Legislature, in passing it, being to bring about honest dealing, but it should be our effort to make our legislation practicable. If we are going to impose harassing and embarrassing conditions and regulations, and to make it difficult for the people to carry on business without any compensating advantages, we shall act wrongly. I venture to say that that is exactly what we are now proposing. If honorable senators analyze my questions they will see, however, that a dead-lock has arisen. The replies given this afternoon by the Minister of Defence practically amount to an admission that it is impossible to define to what articles under the heading of "apparel" the Commerce Act is intended to apply.

Senator GUTHRIE.—There should be no difficulty.

Senator MULCAHY.—As an old tradesman, I can assure the honorable senator that there is. The Senate will remember that we passed the Commerce Act last session, and that portion of it, as is probably generally known, has already come into operation. I refer to that part which is really on all-fours with the Merchandise Marks Act of Great Britain. That is a common-sense piece of legislation. Under that Act a man is not compelled to mark or brand his goods with an indication of their quality or weight; but if he does so mark them, his description must be absolutely true. He is not permitted to mark goods as weighing so much, unless the mark is an accurate one, nor must he describe goods as being "all wool" unless they are so in fact.

Senator PLAYFORD.—That is right.

Senator MULCAHY.—Certainly; no one objects to that. Had we stopped there we should have done well. But we have gone further. The Minister of Trade and Customs has taken power under the Commerce Act to compel descriptions to be given. Under the draft regulations that he has issued, and which are causing much perplexity amongst business people all over Australia, he is going to compel people to place on their goods a description showing their exact nature, notwithstanding that in a great many cases it will be exceedingly

difficult to do so, while in others it will be absolutely impossible.

Senator GUTHRIE.—Such descriptions have to be given under the Customs Act.

Senator MULCAHY.—With all due respect to the honorable senator, I must say that he does not know what he is speaking about.

Senator GUTHRIE.—The importer has to show what is the proportion of cotton or wool in certain goods.

Senator MULCAHY.—No man could do so.

Senator DE LARGIE.—Could not the maker of the goods say of what they were composed?

Senator MULCAHY.—What power have we over the manufacturer abroad? In a great many cases it is absolutely impossible to give these descriptions.

Senator PLAYFORD.—Not at all.

Senator GUTHRIE.—One can tell what is the percentage of cotton in woollen goods, and so forth, or what is the percentage of silk.

Senator MULCAHY.—I have an advantage over the honorable senator.

Senator GUTHRIE.—I served an apprenticeship to the business.

Senator MULCAHY.—And I have spent something like thirty-five years in the trade, and have been a dealer and an importer. If time permits, I am prepared to demonstrate that in many cases it will be impossible to supply a description, as demanded by the Minister, showing the exact nature of the goods. I started by saying that in regard to a variety of articles it will be extremely difficult to comply with the requirements; that so far as a great many others are concerned it will be absolutely impossible to do so, and that in the case of nearly all these articles the description for the purposes of the Act—which is designed to protect the public—will be absolutely useless. It is principally to protect the public that we are going to impose harassing conditions with regard to imports.

Senator GUTHRIE.—We want the importers to tell the truth about their goods.

Senator MULCAHY.—But why should we compel them to have their goods branded by the manufacturers at Home? If we do what will happen? The manufacturers there will say to our people, "Take your trade. We are not going to reveal the ingredients of our goods."

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articles are classified and specified as coming under a particular head. It was to ascertain whether the Minister intended to apply the Commerce Act to all the goods coming under the head of "apparel and textiles," or to only a portion of them, that I put the questions I asked this afternoon. If it is intended to be applied to only a portion of them, then he seems to me not to have taken sufficient power in the Act with regard to definitions. Even if he has the right to eliminate, at his own will, certain articles from being required to be described. How is he going to be advised in doing so? This afternoon we learned that he is going to ask the importers to enlighten him as to what shall and what shall not be deemed articles of apparel.

Senator BEST.—Surely there is no objection to that.

Senator MULCAHY.—I am not a lawyer, and, therefore, I am not sure that there is no objection.

Senator BEST.—He is not obliged to accept their advice.

Senator MULCAHY.—If he is not tied by the Act to the definitions already existing under the Customs Act and the Customs Tariff Act, it is very hard to know on what principle he is going to attempt to discriminate.

Senator BEST.—But under the Customs Act he has a very wide discretion as to his definitions.

Senator MULCAHY.—Let us go to the Customs Tariff Act, and see how this discretion has been exercised. What are articles of apparel? Under the head of "Apparel and Attire," I find described such articles as "buckles or grips used to complete the manufacture of stocking suspenders." Although perhaps it is a legal point, still it is an important one. Can the Minister discriminate, or is he tied to the definition of apparel as it has been given under the Customs Act, and recorded in the *Tariff Guide*, or can he call apparel whatever he chooses?

Senator PULSFORD.—However fair the Minister may desire to be, life is not long enough for him to describe all these articles.

Senator MCGREGOR.—If these things described as apparel and attire are a fraud, why should he not deal with them?

Senator MULCAHY.—I am trying to point out the difficulty which the Minister, actuated by the best intentions in the world, will have in dealing with these articles.

Senator BEST.—The honorable senator will see that necessarily the Minister must have a discretion in a matter of this kind. We cannot possibly tie him down to any cast-iron definition.

Senator MULCAHY.—But the Customs Act it seems to me does so.

Senator BEST.—Not at all. The very quotation which the honorable senator has made shows that a discretion is left to the Minister. That is a mere decision on his part.

Senator MULCAHY.—Evidently the honorable and learned senator has not had this matter brought under his notice, and he may yet have to advise upon it. In the draft regulations, which are submitted I presume to elicit the opinion of business men, it is prescribed that articles of apparel, in accordance with the Commerce Act, shall be included, and that the exact nature of them shall be described. Well, to whom are we to go to ascertain what these articles are but to the Customs Tariff Act, and the definitions and decisions given thereunder?

Senator BEST.—That is where the Minister has a discretion.

Senator MULCAHY.—I admit that the Minister has a discretion to determine the class under which an article shall appear for the purpose of paying duty, inasmuch as one material used for the manufacture of attire pays a duty of 5 per cent., while another material used for the same purpose pays a duty of 15 per cent., and the completed article is subject to a duty of 20 or 25 per cent.

Senator MCGREGOR.—So far as the Commerce Act is concerned, they all come under the same conditions.

Senator MULCAHY.—I ask the Senate how it is possible for any man to give a definition of 100 articles which I could read from the *Tariff Guide*. Take, for instance, "hair fabric for covering pipes and tubes." How is the exact nature of that article to be described?

Senator PLAYFORD.—It is left to the discretion of the Minister. In South Australia I had to decide the point.

Senator MULCAHY.—Unfortunate business men are to be pestered every day—for what purpose—to define a certain article?

Senator PLAYFORD.—It must be left to the Minister to decide.

Senator MULCAHY.—Should not the unfortunate importer know what he has to brand or mark?

Senator PLAYFORD.—So he will. A decision will be given, and for all time it will prevail. The importer will know exactly what he has to put on each line.

Senator MULCAHY.—I can understand a general requirement with regard to piece goods—for example, as to whether they are cotton or linen or wool, or a mixture of wool and cotton—but I cannot understand a man being asked to describe a parcel of ladies' costumes—perhaps 100 different costumes—bought as a lot in the London market. Very frequently a man imports 300 or 400 ladies' jackets of all shapes, sizes, and qualities bought at one price.

Senator PLAYFORD. — They will come under the head of apparel.

Senator MULCAHY. — But how is it possible for any man to describe the articles and show the exact nature of the material used in their manufacture?

Senator BEST.—The Customs Department cannot exact what is impossible, consequently they will accept what is a reasonable description.

Senator MULCAHY.—That is what we are told in this little book, which is practically an apology for the Commerce Act.

Senator BEST.—The honorable senator knows very well that in every Customs Act in the world the Minister is given a discretion to say what items shall come under a particular classification in the Tariff.

Senator MULCAHY.—Here is what the Minister of Trade and Customs says, in what I consider to be an apology for this portion of the Commerce Act—

With reference to paragraph 3 above, and similar paragraphs in other sections, it may be observed that it is always the practice of the Department to take a lenient view of the case, and that the Minister would not sanction any attempt to unduly enforce the law to the disadvantage or loss of innocent importers.

What Minister? The present Minister!

Senator BEST.—The Minister for the time being, of course.

Senator MULCAHY.—The present Minister can only speak for himself—

The surrounding circumstances will always be taken into consideration, and only such evidence will be required as to want of knowledge or intent as should satisfy any reasonable man. It is hoped that it will seldom be found necessary to enforce forfeiture or to prosecute for fine.

I am not, I repeat, introducing this matter for any factious purpose. If I did not think that the outcome of my remarks would be a common-sense adjustment of the great difficulty which I foresee, I

should not have uttered them. It will be exceedingly difficult for a man to put on such a description as is required under the terms of the Act and the regulations. If the Minister interprets the word "apparel" and the materials used in its manufacture in accordance with the Customs Tariff Act, and the Customs decisions, then in a great many cases it will simply be impossible to describe them. And any description which may be put upon these goods will be practically of no use for the purpose for which the Commerce Act was framed, that is, the protection of the public.

Senator MCGREGOR.—But the good conscience of the business man will always be taken into consideration. Surely the honorable senator is not going to hang a man because he has made a mistake.

Senator MULCAHY.—There will be an administration of the Department at one time in one way, and at another time in another way. Business men know that sometimes there is an administration of the Department which is very embarrassing, and unnecessarily so, possibly through the over-zeal of officers, no doubt actuated with the very best intentions. I desire now to say a few words with regard to the usefulness or non-usefulness of the description when it is given. In the Chamber there seems to be an idea that persons are absolutely ignorant of what they go into a shop to buy. That is not the case. Sometimes the ordinary woman knows a good deal more about an article in a draper's shop than does the man who is serving her.

Senator MCGREGOR.—I should think so.

Senator MULCAHY.—I know that it is the case. Of what use will it be to her to brand a piece of union, which she knows to be union, as "a mixture of linen and cotton"? It will be a mixture of linen and cotton whether it be the commonest kind of union at 3d. or 4d. per yard, or the very best kind of union at 1s. 6d. a yard. Are we going to compel every importer to put a brand on every piece of union that he sells, stating the exact proportion of linen and cotton which it contains?

Senator BEST.—The honorable senator's argument is directly opposed to the legislation of Great Britain and Germany, as well as of Australia?

Senator MULCAHY.—But the legislation of Great Britain does not compel marking.

Senator BEST.—It provides for the same principle.

Senator GUTHRIE.—If an English shopkeeper sells a collar as linen it must be linen.

Senator MULCAHY.—The English legislation compels a man if he describes an article to describe it truthfully. But it is often impossible to describe an article. Surely we must have some better reason for legislation than that it does no harm. The intention may be all right, but the effect may be mischievous. Take a piece of woollen material. You can get a woollen material containing cotton which some people would say was adulteration. Take a Yorkshire tweed. Most goods of that description contain a percentage of cotton and sometimes of shoddy. One Yorkshire tweed will be nearly all shoddy, but it will consist of practically wool and cotton. These materials would all come in under the same general designation. What protection is that to the general public? And if it is no protection to them, what is the use of it? The same remark applies to many other articles. In the importation of various goods, it often happens that names are used which have become conventional, but which do not correctly describe the goods to which they are applied. For instance, there are imitation fur goods. They are made to resemble the skins of animals, but in reality they are nothing of the kind. If a woman goes into a shop to buy a seal-skin jacket, she knows that it will be impossible to buy a real one unless she is prepared to pay twenty-five or fifty guineas for it. But she buys an article called a seal-skin jacket, which is in reality a fabric, and not a skin at all. The purchaser knows quite well that she is not getting a real seal-skin. There is no necessity to compel the draper to go to the trouble of branding such goods. The purchaser knows what they are by the price.

Senator BEST.—Exactly; they may be known by their price; but if the shopkeeper chooses to stick on the price, it is impossible for the non-expert to tell.

Senator MULCAHY.—If one of Senator Best's clients gets bad advice from him—which the honorable senator is not compelled to brand as good or bad advice—he will go to another lawyer next time. So it is with the shopkeeper's client. I am sorry that the honorable senator has such a bad opinion of the trade.

Senator BEST.—I have not.

Senator MULCAHY.—In order to prevent one dishonest merchant from doing a thing which he ought not to do, but which he will do in spite of Commerce Acts, we are going to embarrass ninety-nine honest men.

Senator HENDERSON.—We can punish him for his dishonesty.

Senator MULCAHY.—He can be punished for dishonesty now. If a shopkeeper sells an article as sealskin which is not sealskin, the purchaser has a common law remedy against him. I have gone rather fully into these matters, and I intend to discuss the regulations when they come before Parliament for indorsement.

Senator BEST.—What does the honorable senator suggest?

Senator MULCAHY.—I would suggest that, inasmuch as these provisions are not for the benefit of the ultimate purchaser—the man or woman who uses—they might be suspended until the States come into line with their legislation. At present the States are not in line. Under our Act and under the regulations the supervision goes no further than the Customs warehouse. Once the goods emerge from the Customs warehouse there is nothing in the existing law to stop the importer, whether he be the retail shopkeeper or the wholesale merchant, from altering the marks entirely. I suggest the suspension of the operation of this portion of the Act, unless the Minister can succeed in devising some very broad lines, which I doubt very much; and even if he could do so the measure would not secure to the purchaser that protection for which the Act is designed.

Senator BEST.—Does the honorable senator also suggest that the Act should be suspended as regards food adulteration?

Senator MULCAHY.—I do not. I do not know so much about foods as about textiles, but the case is very different. If a man buys a suit of clothes, he tests them by their quality, and soon discovers what they are worth. But a man may be eating deleterious food for a long time, and may be ill in consequence, although he may not be able to recognise that the illness is due to the food. Moreover, the makers of food products are better known, and such goods as are imported are, in many cases, standardized. Such goods are branded as it is, and it is only a question of requiring that they shall be truly branded, and be what they are represented to be. I suggest that the Min-

ister, if he insists on applying the regulations to the goods to which I have referred, shall do so on broad lines if he has power under the Act, which seems doubtful.

Senator BEST.—He is doing it on broad lines. According to what the honorable senator read out a reasonable interpretation will be accepted.

Senator MULCAHY.—If I were to go into this matter of apparel at length I could keep honorable senators occupied until 12 o'clock to-night, and I could show that it is impossible to put any brand or mark on a number of goods to describe them correctly.

Senator BEST.—Then they will not be described.

Senator MULCAHY. — The importers will be expected to describe them.

Senator BEST.—Not if it is impossible.

Senator MULCAHY.—I wish to conclude by referring to one piece of proposed legislation which promises to be useful. It is proposed by the Government to try to protect the policy-holders in foreign life assurance institutions. That is legitimate work for the Commonwealth to do. I think it ought to have been attempted earlier, but there are special reasons for doing it now. The fact that the subject has been mentioned in the Governor-General's speech will have a good moral effect. A number of people who hold policies in good sound foreign institutions—notwithstanding that some irregularities have been exposed—have in a fit of panic been inclined to dispose of, or part with, their policies at a loss. The fact that the Government intends to step in and try to protect them—I do not know how far it can be done—will have a beneficial moral effect. I hope that legislation of that description will be the prelude to extended legislation, dealing not only with life, but with fire insurance, because on both subjects there is ample room for legislation.

Senator DE LARGIE.—Does the honorable senator think the Government ought to interfere with private enterprise in America?

Senator MULCAHY.—I will leave the honorable senator to deal with his own fads. I support the motion for the adoption of the Address-in-Reply.

Senator PULSFORD (New South Wales) [8.10].—The position that has arisen to-day throws a strong light on the present unsatisfactory position of Federal politics. We have had the Address-in-

Reply moved by an honorable senator sitting behind the Government, who were, however, unable to find another supporter to second it. That is the position of affairs in the Senate. Of course, I know that there is a large number of honorable senators who do support the Government. But they belong to another party; and that is the unsatisfactory position to which I refer.

Senator PLAYFORD.—If they would support the honorable senator's party it would be all right.

Senator PULSFORD.—The Minister knows that the party to which I belong has a greater following in the Senate than his own party. I have described this as a very unsatisfactory position, and it tends in no way to that desirable legislation which we all wish to see passed. I recognise that there is a wish that the debate shall not be protracted, and that it shall close, if not to-night, at an early hour to-morrow. I do not propose to make a lengthened contribution to it. I intend, therefore, to confine myself to a few points. The Governor-General's speech is a very long one. Every honorable senator who has spoken has referred to its unusual length. Yet I find that the most important matter of all — a matter of international politics — has no reference made to it whatever. I refer to a measure which was passed last year, entitled The Immigration Restriction Amendment Act, under which certain legislative arrangements were to be made. A section was inserted under which it became possible to make arrangements with foreign nations like Japan, and with India, to obviate the difficulties and annoyances of the Immigration Restriction Act. On the 18th December last, I asked the following questions of the Minister of Defence with reference to the section in the Immigration Restriction Amendment Act, which sanctioned the making of arrangements with foreign countries as to their subjects being affected by the education test:—

With reference to the clause in the Immigration Restriction Amendment Bill which sanctions arrangements being made with foreign countries whereby their subjects are exempted from the dictation tests—

1. Will the Department of External Affairs intimate to the Governments of India, Japan, and China that the Commonwealth of Australia is now prepared to consider such arrangements?

2. Have the Government prepared any draft indicating in any general way the main features or clauses of such arrangements?

Senator Playford replied—

This matter is receiving consideration.

Six months have elapsed since then. A new session has begun; and, though every conceivable subject has been raked up for reference to Parliament, this very grave and important matter is not even mentioned in any shape or form. In the same Act provision was made for the excision of the word "European" as to the test language, and for regulations which had to be submitted to Parliament in connexion with the selection of a number of languages. To this I find no reference in His Excellency's speech. I hold that this Parliament cannot possibly interest itself in any more important business than making satisfactory arrangements between Australia and the great nations of the East.

Senator BEST.—Would not that be a matter of administration, and not legislation?

Senator PULSFORD.—The Act requires that these regulations shall be made and notified; and while His Excellency's speech refers to all sorts of unimportant questions, it makes no reference to this matter.

Senator PLAYFORD.—Is it our place to go cap in hand to those people? Is it not for them to ask us to make arrangements for them?

Senator PULSFORD. — In December last I asked the Minister of Defence what had been done in the matter, and he said it was under consideration. Six months have now elapsed, and in the speech presented to us we find no reference to this Act.

Senator GUTHRIE. — What importance does the honorable senator and his party attach to this?

Senator PULSFORD.—I know that in the minds of a number of honorable members this matter is of no importance. Within the last month there have been several Japanese war ships on a visit to Australia, and it was obvious to every man who kept his eyes open that these vessels were warmly welcomed.

Senator GUTHRIE.—So is a circus.

Senator PULSFORD.—In Sydney the Japanese were heartily received by all classes of the community, but there was a most significant and humiliating occurrence during the visit. Eight Japanese returning immigrants—from Noumea, I believe—who were on their way back to Japan, were held prisoners on board a vessel in the harbor of Sydney while the Japanese officers and men were being fêted. That was a very unsatisfactory and regrettable occurrence.

Senator PLAYFORD.—It was very necessary, or the men might have bolted.

Senator PULSFORD.—The Japanese who were being honoured in Sydney could not but notice the difference, and surely it is worth while to do something to prevent these occurrences. I am very sorry that honorable senators do not grasp the gravity of the position. I regret very much that the Government have not seized the opportunity which has been presented to them. Every day, in the newspapers, we see references made to our trade with the East, and I observe that the Chinese are now agitating for some degree of reasonable treatment. Here is presented an opportunity to the Government to ease the situation, and save us from trouble and friction, but apparently no steps are being taken to that end.

Senator BEST.—Probably the clause to which the honorable senator has referred would not have touched the case of the eight men who were kept on board the vessel in Sydney Harbor.

Senator PULSFORD. — Regulations could have been made to meet such a case. If, under the clauses to which I have referred, nothing could have been done, it indicates how necessary it is to draw up fresh regulations, or pass other legislation, in order to avoid such humiliation. Surely we can devote ourselves to no more important matter. What should we say if we heard of eight or ten Australians, who, on a trip abroad, were practically gaoled in a certain port without any excuse?

Senator GUTHRIE.—Several sailors were imprisoned on board a vessel at Queenscliff, and not a word was said about it.

Senator DE LARGIE. — Senator Pulsford has not time for sympathy with Europeans.

Senator PULSFORD.—The time will come when Australia will recognise its duty in this matter, and, what is more, will perform its duty. Those honorable senators who to-night are inclined to jeer at me will regret their attitude. I should now like to say a word or two on the subject of preferential trade. I listened with surprise to various honorable senators who have addressed themselves to this question. One and all seem to steer very carefully from the great and controlling fact—the elections in Great Britain, which must terminate the hopes of the party of preference in Australia.

Senator BEST.—Those elections were contested on an altogether different issue.

Senator PULSFORD.—As to arrangements between Colonies, every bit of information we receive tends to show that, instead of bringing about union in the Empire, they cause something like the reverse. I have read in the newspapers about Sir William Lyne and the late Mr. Seddon, and have seen very strong statements by the former to the effect that he was not going to be drawn into giving New Zealand preference as to certain commodities which Australia produces. That is protection pure and simple. Let protectionists stick to protection, and not talk about preference when they do not mean preference. Senator Styles this afternoon told us that all the wool produced in Australia ought to be kept here and turned into woollens.

Senator STYLES.—Not all; only all we require.

Senator PULSFORD.—The honorable senator this afternoon spoke of all the wool. But the wool we can use in Australia in the shape of clothing is but a trifle of that produced here, and by his suggestion he merely plays with the matter. Senator Styles this afternoon may have said more than he intended, but he distinctly told us that we should keep our wool, and send our woollens abroad. Other honorable senators said, "Well, we must give Great Britain a preference—we must raise the duties against other countries." But how are we to give Great Britain a preference in regard to an article which we wish to prevent coming to Australia from Great Britain, or any other part of the world? There is not a protectionist who does not desire to keep out woollen goods from Great Britain, or anywhere else; and it is the sheerest folly in the world to talk of preference.

Senator STYLES.—If woollens do come here, let us give British woollens the preference.

Senator PULSFORD.—There is another point which is avoided by those who talk of preference. I do not hear any one advocate preference to a country like India, which is a very important part of the British Empire; nor do I hear any one proposing to give preference to the British islands in the Pacific, where, from a commercial point of view, British sovereignty is not of the strongest. By our commercial legislation we have distinctly damaged the prosperity of a number of islands in the Pacific; but honorable members are as ada-

mant so far as granting to those islands any advantages which would increase their trade. Do not let gentlemen who take that attitude claim before this Chamber and the world that they are desirous to build up the Empire by means of preference. They are not likely to do anything of the sort, and they will only create causes of friction which may lead to more or less disintegration.

Senator STYLES.—The honorable senator would treat Germany, France, America, and all other countries in exactly the same way as he would treat Great Britain.

Senator PULSFORD.—I desire to make a few remarks on the subject of finance. I observe that in the various States the politicians have assumed that the care of the Federal finances really lies on them, and that we, the members of the Senate, and also the members of the House of Representatives, have to be watched. That is most unfair. In New South Wales and in Victoria I hear it said that we are likely to take the whole of the revenue, and make the States go short. I think I speak for every member of the Senate when I say that there is not one representative of a State here who does not intend to do his duty fully and absolutely to that State. I do not think that the observations made in Sydney, Melbourne, and elsewhere, as to the danger the finances are in, by any possible absorption of the revenue by the Commonwealth, are justified.

Senator PLAYFORD.—The Constitution—the Braddon section—prevents that.

Senator PULSFORD.—Just so. I am glad that the resolutions relating to the redistribution of seats are to be placed before us to-morrow, and that they have already passed the other House. From inquiries I have made, I find that it will take a considerable length of time to get the new rolls perfected. Only yesterday, Mr. Gullick, the Government Printer of New South Wales, told me that he calculated it would take seven weeks to print the rolls for that State.

Senator MILLEN.—Did the honorable senator have that information officially?

Senator PULSFORD.—I saw Mr. Gullick yesterday, and he told me he had already informed the Board to that effect. I suppose that, in addition to the seven weeks for the printing, three weeks at least will be required for the distribution; and honorable senators will see, therefore, that something like ten weeks will be occupied from

the time of the handing in of the manuscripts. What work there is to do from the passing of the resolutions to the handing in of the manuscripts to the printer, I do not know; but it is quite clear that, unless the elections are to take place at the very fag end of the year, there is not one moment to lose. I trust, therefore, that the Senate will pass the resolutions to-morrow.

Senator COL. NEILD.—Have the elections in October.

Senator PULSFORD. — I am quite sure that it would be absolutely impossible to have the elections in October; the rolls could not possibly be ready by then. I should like to say a word or two with regard to the question of the Federal Capital. During the recess I found amongst my papers a copy of the resolution agreed to at the Conference of Premiers prior to Federation. Honorable senators towards the end of last session were made conversant with the clause in that agreement, providing that the Capital should be established in New South Wales, at a reasonable distance from Sydney.

Senator STYLES.—But is that provision in the Constitution?

Senator PULSFORD. — It appears in the agreement arrived at by the Premiers, and it is provided in the Constitution that the Capital shall be not less than 100 miles from Sydney.

Senator COL. NEILD. — Some scoundrel left out the word "reasonable."

Senator PULSFORD.—The word "reasonable" was not inserted, but we certainly have in the Constitution the words "not less than 100 miles from Sydney." We know, also, that Sir George Turner proposed at that Conference that the limit should be 200 miles, and that that proposal was rejected. We have learned that according to the agreement then arrived at the Capital was to be situated in New South Wales at a distance of between 100 and 200 miles from Sydney.

Senator STYLES. — We know nothing about that.

Senator PULSFORD.—There are none so blind as those who will not see; but I am quite certain, from my knowledge of the representatives of the other States, that they desire to do that which is fair. If they are well satisfied that an agreement was made, and that the basis of it is undoubted, they will not fly in the face of it.

Senator STYLES. — Who authorized the Premiers to make such an agreement?

Senator PULSFORD.—The honorable senator knows all about it. The traders of Australia are in danger of being smothered with regulations. Regulations are becoming a curse. I have said many a time in this House that government by regulation has increased, is increasing, and ought to be diminished, but of late the curse of government by regulation has become intensified. I hold in my hand nearly three columns of newspaper matter, comprising the proposed regulations under the Commerce Act. They have not yet been gazetted. I do not know whether they ever will be; but most assuredly if they are they will inflict upon the traders of Australia a very great hardship.

Senator MILLEN.—Is not that what is intended?

Senator PULSFORD.—The honorable senator is severe. I dare say that that is the intention; I dare say that there are in existence powers having very little sympathy with trade except that relating to purely local manufactures. There are those who believe that there is more merit in the local manufacture of a chair-leg than there is in dealing with hundreds of thousands of pounds worth of goods from abroad. All sorts of obstacles are being thrown in the path of these regulations, and it is quite clear that all that has been asked for cannot now be obtained. We are faced to-day with something else—an Anti-Trust Bill, in connexion with which all sorts of possibilities may arise. I had intended to deal very fully with this question, but shall refrain from doing so. I recognise that if the Bill becomes law it will give rise to very serious trouble. Commerce is very much like the weather. It suffers all sorts of changes. It has its fine days and bad days, and various ups and downs. Goods might be sent here and sold at a price admitted by the Customs to be allowable; but, as the result of great distress in the country of origin, the manufacturer there might telegraph to his agent here—"Sell my goods; do the best you can, and cable me a remittance." Then, if the agent stepped into the market and proposed to sell his goods at a 20 per cent. reduction, no man in Australia would be able to buy them. The Minister of Trade and Customs would be able to say, "This is unfair competition; take the goods away."

Senator MILLEN.—Because, perhaps, a local manufacturer with a little influence had got to work.

Senator PULSFORD.—That is one of the possibilities. Australian goods may be sold abroad at whatever price their owners choose to offer them. They may disturb the market abroad, but that is a matter of indifference to us! We do not say that goods made in Australia shall not be sold abroad at a low price. All sorts of changes are taking place day by day in commerce, and under such rigid conditions as these we cannot carry on our business. If honorable senators give the matter a moment's consideration they will recognise that the importation of goods into Australia is the final step in connexion with the work of the producer here. What is the use of a man in Australia producing wool, wheat, or even gold for export, unless he can turn his output into something useful? When the Ministry say, "We will put obstacles in the way of the admission of imports to Australia," they say, in effect, that they intend to place obstacles in the path of the producers, whom we declare we desire to preserve. I earnestly implore every honorable senator who wishes the future of Australia well to carefully watch and criticise the Anti-Trust Bill that is shortly to come before us.

Senator DOBSON (Tasmania) [8.38].—I have no eager desire to engage in what honorable senators apparently regard as an unprofitable debate, but there are one or two matters with respect to which I want information, and others that I wish to criticise. I should like to ask the Minister of Defence what is meant by paragraph 20 in the Governor-General's speech, which sets forth that—

The pressure of appeal business upon the High Court precludes attention to its original jurisdiction.

Perhaps the Honorary Minister, Senator Keating, will tell us whether the appeal business has been so great that the Justices have had to set aside matters relating to their original jurisdiction.

Senator MILLEN.—Does the honorable and learned senator mean to say that he cannot understand that the paragraph foreshadows the making of another appointment?

Senator DOBSON.—I am coming to that. Is it also correct that it—prevents the discharge of the additional duties cast upon the Justice who is President of the Arbitration Court.

Senator KEATING.—We have obtained during the recess a very complete report upon the subject.

Senator MILLEN.—From whom?

Senator KEATING.—From the Chief Justice.

Senator DOBSON.—So far as I understand the matter, one of the Justices has been appointed President of the Arbitration Court.

Senator KEATING.—The man in the street can see that the Justices of the High Court are working at high pressure. They will have to leave Melbourne at the end of this month, leaving a considerable quantity of work behind them. Those interested in cases yet to be dealt with here do not know when they will be taken.

Senator DOBSON.—I am asking whether the statement is strictly correct?

Senator KEATING.—It is.

Senator DOBSON.—I understand that there is only one question, relating to the registration of a union, awaiting the decision of the Arbitration Court. It is remarkable that a Judge of the High Court cannot spare an hour or two, or a day or two to decide it.

Senator KEATING.—There are other cases pending in the Arbitration Court.

Senator DOBSON.—I do not know of any other, but I wish the fact to be put before the Senate so plainly that it will be apparent to all of us that another Justice is required.

Senator KEATING.—I think that that will be made quite clear.

Senator DOBSON.—I shall vote against every item of expenditure that in my opinion ought to be avoided; but no one would like to see the Justices of the High Court working at such great pressure that they could not deal with all the duties allotted to them. It would appear that the report to which the Honorary Minister has referred contains information of which the public are not aware. I should have no objection to the appointment to the High Court Bench of the gentleman whose name has been mentioned in this connexion, but I wish to know whether the Government are going to consider the claims of their own friends and supporters, or the interest of the public. Since we have three Judges, who all belong to the common law side of the Court, the Government should seriously consider whether, in making a fourth appointment, they should not select a man from the equity side. I do not care who is appointed as long as he is a good man—and we have several such men—but I repeat that a man from the

equity side should be selected. I wish now to ask the leader of the Senate the meaning of paragraph 30 in the Governor-General's speech, which states that—

The proposal to more definitely determine the territory for the purpose of the Seat of Government will be submitted to Parliament for final consideration.

What is the meaning of "more definitely determine"? Are the Government going to ask us to discuss the question of the area selected at Dalgety as the site of the Capital, or are they going to repeal the Seat of Government Act, and deal with the whole business *de novo*. I suppose it is the old story over again: they wish to see which way the "cat is going to jump," and when they have a majority in favour of a new site, they will tell us that the meaning of this paragraph is that the whole business is to be gone over again. This is not a candid open way of dealing with us; we might reasonably have expected something better. The history of this question will be regarded as furnishing one of the strangest incidents in the life of a young nation. It is inconceivable that at a time when our population is almost stagnant, when our birth-rate is declining, when we have but a handful of people scattered over this vast territory, and more large cities than are desirable, we should think of spending three or four millions in establishing the Capital outside Sydney. If Sydney were selected as the Seat of Government, all that we should need to do would be to build a Federal House of Parliament. I am, as I always have been, in favour of striking out the 100-mile limit and leaving things otherwise exactly as they are, so as to give every member of the Parliament an opportunity to vote for the selection of Sydney, if he desires to do so. Of course that alteration of the Constitution could only be carried with the assent of the other States.

Senator O'KEEFE.—Would not the necessary buildings cost more in Sydney?

Senator DOBSON.—I suppose that the necessary buildings would cost £500,000.

Senator PLAYFORD.—The ground alone would cost that sum, I should think.

Senator GUTHRIE.—They would give us the Centennial Park.

Senator DE LARGIE.—Does one of the builders of the Constitution wish to pull it down already?

Senator DOBSON.—It is a question not of pulling down the Constitution, but of

going to Sydney, not permanently, but for say twenty years, until we can see whether we do want a permanent Capital or not. Is there any party of politicians who know what they want in regard to the Capital? I submit that there is not. The first idea was that we should have a Capital which would vie with the capitals of the world: we were to have a beautiful city with artificial lakes, boulevards, and Heaven knows what else. Then there was an absolute reaction, and it was christened the "wattle and daub" Capital. Last session we had Mr. Gibbon moving the second reading of the Capital Site Bill, and in his peroration he went back to the first idea of having a Capital worthy of Australia. Then we had Mr. Deakin saying, "All Parliament wants is a roof under which to make laws." Now what do honorable senators want? Nobody knows. First they want one thing and then they want another, and merely because there is an honest *bonâ fide* feeling in New South Wales—which has no foundation in fact—that there is a desire to rob them of the Capital, we are asked to commit an act of folly and commence to build in the bush a Capital which it will be time enough to talk about twenty-five years hence. In paragraph 34 of the speech we are told that a measure for the appointment of a High Commissioner will be brought forward. In every session for the last three or four years we have been told by the Government that a Bill for the appointment of a High Commissioner would be submitted, and on each occasion I have said that I should oppose the measure in every possible way. The appointment of a High Commissioner at this moment is not required. I would remind honorable senators that one of the great advantages which they foretold for Federation was that in the departments of the Agents-General a very large sum would be saved. But we still have six Agents-General going strong, and the up-keep of their offices has to be met. Some States also have one or two commercial agents. These men are all combined together, and protecting us from the slanders which sometimes appear in financial journals. No one man that we could send, not even the five eligible gentlemen to whom Senator Walker has alluded, if rolled into one, could do any more good than the six Agents-General can do. Appoint any man you please, and before he has been in London for three months, whenever he has

to answer any slander he will have to go cap in hand to Mr. Coghlan for his facts and figures. I cannot conceive that any argument can be addressed to the commonsense of the Chamber to show that we need a High Commissioner at this moment. In the Constitution there is power to appoint a High Commissioner, and no doubt one will be wanted in time to come. But I have always taken up the ground that the office ought not to be created until we have taken over the States debts, and got some financial work to do.

Senator DE LARGIE.—Sir John Forrest has just returned with a scheme.

Senator DOBSON.—Even on that point I begin to think that there has been a mistake made. The six Agents-General can show just as good a scheme for taking over these debts as can Sir John Forrest. Because, living on the spot, they are in touch with all the banks and financial institutions. Sir John Forrest ran home on a holiday-trip for a few weeks, and came back with a cut and dried scheme. If the Agents-General were asked to put their heads together—and they have already given us one short report on the matter—could they not make a better report than any one single man. Are we going to add a seventh highly paid officer to our representatives in London? Is there anything in our circumstances to justify the appointment? Are we altering our financial arrangements in any way? I shall oppose the appointment of a High Commissioner, and if it is proposed to give him a high salary I shall do all I can to reduce it. When Senator Playford is so anxious to get co-operation with the States, the least thing he might do before he talks about appointing a High Commissioner is to ascertain what the States propose in reference to their Agents-General. Because, if you appoint a High Commissioner and have these six officers drawing their moderately high salaries, you will break faith with the electors, and add to the expenditure of the Federation in the very direction in which you told them that you would reduce their burden.

Senator GUTHRIE.—Why cannot Captain Collins be High Commissioner?

Senator DOBSON.—I shall come to the appointment of that officer presently. In paragraph 25 of the speech we are told that—

The Commonwealth has been placed on a more satisfactory footing with regard to ordering, obtaining, and paying for certain warlike

and other stores, which it is necessary to procure in England, by temporarily placing the Secretary for Defence in charge of an office in London.

The Secretary of Defence is an officer in whom we all have great confidence. He has been in office for, I suppose, nearly a quarter of a century. He was previously in active service, but he is now a secretary, and from his services in London we are to derive the better ordering, the better obtaining, and the better paying for certain warlike stores.

Senator PLAYFORD.—There is no doubt about that.

Senator DOBSON.—I shall be very glad if my honorable friend can explain how there can be any doubt about it. If he can, all I can say is that it is a most extraordinary thing. Here you have each State represented by an Agent-General, with a staff. The six Agents-General could form a tender board, and a purchasing board. They could do whatever was required with regard to buying stores, and the moment they commenced to buy ammunition, what would they do? In each case, they would secure the best expert advice which they could get, and would not Captain Collins do exactly the same thing?

Senator GUTHRIE.—He has only gone Home to prepare the way for Sir John Forrest.

Senator DOBSON.—How is it possible to conceive that one man—who, I presume, is not an expert in these matters, and I do not know that he has had an opportunity to keep up his knowledge—can do as much as the six Agents-General could do?

Senator PLAYFORD.—Yes, he can, and do it a great deal better than they could. What do they care about the Commonwealth's orders? They hand them over to a clerk. Orders have been there for two years, and are not executed yet.

Senator DOBSON.—What an idle argument it is to say that the Agents-General, who represent their respective States, who are supposed to be loyal and to earn their salaries, care nothing about the Commonwealth! Why, sir, the States form the Commonwealth. It is the very argument which Sir William Lyne used when he wanted to have the pleasure of appointing officers to carry out public works—“Oh, no! he could not do any work through an architect or a State officer unless he had his whole services.” Therefore, we had a splendid officer taken away from the Military Department, and made

Inspector-General of Public Works. Here is Senator Playford belittling every Agent-General and his staff, and saying that they are incapable of ordering goods, of getting experts to advise them, of saying which tender should be accepted, and of actually paying for the goods.

Senator KEATING.—They are not incapable, but our experience with them has been very unsatisfactory. The honorable senator cannot get behind facts.

Senator DOBSON.—I decline to believe it. Whenever my honorable friends want to make an appointment they have to find or manufacture arguments, and I do not hesitate to say now that they are manufacturing an argument. It is idle to say that one secretary sent Home for the purpose can do better than six Agents-General.

Senator KEATING.—The honorable senator is manufacturing, because there has been absolute dissatisfaction.

Senator DOBSON.—Does my honorable friend say that the Agents-General are disloyal?

Senator PLAYFORD.—No.

Senator DOBSON.—Are they not all experienced politicians, and do they not together represent the whole of the Commonwealth? Although we have the services of these six gentlemen, with their staffs, at our disposal, yet the Government have sent Home the Secretary of Defence to order their goods, and they say that that work cannot be efficiently done otherwise.

Senator PLAYFORD.—We are economizing by taking this course. The Agents-General have got to the credit of their States £200,000 of our money, on which they are getting the interest, and we are not getting a penny.

Senator DOBSON.—It is a very great blunder on the part of those who allowed things to get into that state.

Senator PLAYFORD.—Not at all.

Senator DOBSON.—Does my honorable friend mean to say that that is the fault of the Agents-General?

Senator PLAYFORD.—All I know is that the Agents-General, on behalf of their States, have an interest in not executing our orders, because they keep the money with which they are credited in their own bank.

Senator DOBSON.—I look upon that statement as an absolute downright charge of robbery, and it is nothing else.

Senator PLAYFORD.—Not at all.

Senator DOBSON.—I am astonished that my honorable friend should so slander the Agents-General as to say that they have £200,000 of our money to their credit, and will not order for us ammunition, or guns or rifles, because they want the use of the money.

Senator PLAYFORD.—No, I do not say that.

Senator DOBSON.—Surely my honorable friend will withdraw that statement.

Senator KEATING.—They have actually got the interest.

Senator DOBSON.—That is one sample of the way in which this appointment is going to be justified. Could there be a more futile, silly, and unfair argument to justify the appointment of a High Commissioner before his services are required? Let me give another example of the administration of this Government. We are going to have submitted a Bill for the appointment of a Federal Statistician. What have the Government done? They have appointed a Statistician before they are ready to employ his services. They have dragged him away from a State appointment. From the press we learn that he is losing £150 a year in salary. He accepted a Federal appointment, and when the Government wanted to set him to work they found that they had to go back to the States to ascertain what they want. Here they are consulting the States after the event, instead of having arranged beforehand with them the several duties which this officer was to perform, and the branches of statistical work which each State was to retain. Now I come to the question of the cadets. I do not think that I was ever more disappointed in my life than when I heard of the paltry, pettifogging scheme proposed by the Government, who pretend that they are in favour of universal training. We all know that the Prime Minister has stated in the press that he is in favour of universal training; he will not have it called compulsory training. We all know that the first generals, not only of Europe, but of the Empire, are in favour of universal training, and that leagues have been started in Victoria and New South Wales to bring about universal training based on a system like that of Switzerland, with such exemptions and exceptions as shall be suitable to Australian conditions. Although the Ministry hold the opinion—I believe that six Ministers do—

that universal training is the proper basis of a system of national defence, still they have not the pluck to move in that direction. On the contrary, they turn their attention to the boys, and in dealing with those at school, in regard to what is a part of their education, and is admitted to be so by every nation in the wide world, they have not the pluck even to apply that system to boys between twelve and eighteen years of age. Is not that enough to disappoint any one who takes an interest in this movement?

Senator PLAYFORD.—Does the honorable senator think that we should interfere with the schools belonging to the States, and make it compulsory for their scholars to attend our drill? We could not work except through the States and schools.

Senator DOBSON. — My honorable friend has gone upon an absolutely wrong line. He knows practically what I am coming to, and therefore he anticipates my remarks by using a most futile argument.

Senator PLAYFORD.—Oh, dear!

Senator DOBSON.—I mean to say that my honorable friend has done an absolutely wrong thing, and has made a fatal blunder in regarding the training of these boys in military exercises and rifle shooting more as a State educational matter than as an army matter. That is the great blunder which makes the scheme not worth the paper it is written upon. It will break down, and will have to be reconstructed on a broad national basis.

Senator PLAYFORD.—Nothing of the sort.

Senator DOBSON.—No act that my honorable friend has done will redound so much to his discredit as the fact that he regards the training of these boys, our future soldiers, as a matter for the State school teachers, instead of keeping the control in his own hands, and appointing professional soldiers to be their instructors.

Senator GUTHRIE.—And he puts a penalty upon the boys who have to serve by making them buy their uniforms.

Senator DOBSON.—Yes, the whole scheme is upside down, and is unworthy of the Commonwealth. I very much regret that Senator Playford has pushed on his scheme, and has not given Parliament an opportunity of expressing its opinion. And what a futile scheme it is! The Minister is going to train 22,500 boys and youths, at a cost of £30,000, though there are 249,000 boys and youths between twelve

and eighteen years of age in the country. In other words, my honorable friend's scheme is to train only 10 per cent. of the boys and youths of the Commonwealth. I may be told that the scheme can be extended. But the whole thing rests on this point: What power has he, in case he keeps the reins in his own hands, to make the scheme what he wants to make it, and ought to make it—a national scheme, out of which shall flow our citizen army? My honorable friend says that if we give the boys a drum and fife band and pretty uniforms to wear, we may get a few thousands more. But even then he does not know that he will get the number he wants. Even if we got 149,000 out of 249,000, it would not be too many. Suppose he gets a great many more, after giving the boys their uniforms and so forth, what is he going to do? Is he going to compel the boys to wait until he sees whether Parliament will vote the money? Although he has the power to say, "These boys shall attend and be drilled," he has made no provision for compulsion in his scheme. That is the vital blunder which he has made. As in the volunteer system, the man who is loyal and devoted serves his country, whilst the remainder attend only to their own pleasures. So it will be with the boys. Out of 249,000 in the country, 22,500 may come forward. The Minister has no guarantee that even the 22,500 will be properly taught military drill, discipline, obedience to authority, and the use of the rifle; whereas the whole of the remaining 90 per cent. are to amuse themselves out of school hours just as they please, and are not to be taught the principles of patriotism which it is so necessary to instil into our youths. My honorable friend has forgotten the most important point of all, and that is, that apart altogether from militarism, apart altogether from our citizen army, it is important that these youths and boys should be drilled, as part of their physical and moral training. It has been found by every nation that has tried it that military training has a most beneficial effect upon the youths who receive it. Look at what the Japanese have done by their system of national drill. In Japan 90 per cent. of the boys are being educated, whereas in some parts of this country we have not 60 per cent. Our system of education is a disgrace to us; and if my honorable friend really knew anything of these things, he would be well aware that it is absolutely necessary for

the physical and moral welfare of Australia to make the system compulsory. It is no system worthy of the name unless it is compulsory. And what right has my honorable friend to say that he has no power to compel the boys to be drilled? The laws of this country compel them to be educated, and he has power to compel them to be drilled.

Senator PLAYFORD.—We shall have to have unification, and have the education under Federal control before we can do what the honorable senator is talking about.

Senator DOBSON.—I do not think that anything of the kind is necessary. Whenever a Federal Constitution gives to a Federal Government power to do certain things—and defence is handed over bodily to us—it has power to take any steps which are necessary to give effect to what is delegated to it. There are numbers of cases to show that, even if we were to frame a Federal land tax, we could make the police of the States collect it if we wished to do so. It is of no use for my honorable friend to tell me that, the question of defence having been handed over wholly and bodily to this Parliament, we have not the right to go to the States schools and say that during one hour or three hours a week the boys shall be drilled, and that we will compel them to be drilled, although the State merely makes them attend for the purpose of teaching them to read and to write. I wonder that my honorable friend has so little knowledge of the law, and has thought so little about the question of the character, the training, the teaching, the order, and the discipline of the youth of this country. I wonder that he should have prepared a scheme of defence and left out this, the very groundwork of it all. I can hardly sufficiently express the disappointment I felt, when scores of us had been looking to the Government to give us some system worthy of the Commonwealth, at being put off with this pettifogging scheme.

Senator PLAYFORD.—If I were to ask for £150,000 for a scheme of the kind, the honorable senator would be one of the first to object.

Senator DOBSON.—I believe that the thing could be done well for far less than that. If the Minister were to ask for £50,000, and in a year or two for £75,000, and then for £100,000, all that is necessary could be done. Every one would in the meantime admit the good that

was being done to the youth of the country, and would not begrudge the cost, even if it were £150,000. Every one would admit that our youth had improved in character, in respect for their superiors, in the principles of patriotism, and in loyalty to their country, and I believe that the £150,000 would be voted most willingly. But such a sum would not be needed for ten years to come. My honorable friend has brought forward no real scheme at all, because he has not the word “compulsory,” or “universal” in it. Honorable senators opposite profess to be in favour of a system of universal training, yet they have not the pluck to apply it, even to the schoolboys. That, I say, is a most regrettable thing. I should like to say a word or two about one or two other matters. I wish to ask my honorable friend if the Cabinet have considered whether it would not be wise, instead of dangling before the eyes of the constituencies a great scheme that one State wants, and another great scheme that another State wants, if they, as statesmen, having the honour and financial soundness of the Commonwealth in their keeping, were to eliminate some of these matters from their programme. Here is a scheme for a transcontinental railway, which will cost £6,000,000. Here is a scheme for a Federal Capital, which will cost £3,000,000 or £4,000,000. Here is a scheme for an Australian Navy, which some honorable senators opposite want, and which will cost £2,200,000. Here is a scheme for old-age pensions, which many of us favour, and which would cost £1,500,000. There is an expenditure of £12,800,000. How long are we to go on pretending to ourselves and the people of Australia that we are going in for this enormous expenditure? Would it not be well for us to concentrate our efforts, and the time that we have at our disposal, on some good solid work, instead of talking about these wild-cat schemes all over the place? I regret to hear from the Governor-General's speech that the Kalgoorlie to Port Augusta Railway Survey Bill is to be brought before us again. The more I think of it the more convinced I am that it is based on absolute injustice. It is first and foremost beyond all contradiction and doubt a State matter. The railway, if built, would develop the State of Western Australia. It would be of enormous benefit to that State. It can be made to appear a Commonwealth matter

only for purposes of defence—for which it might perhaps be used once in a century—or for carrying our mails. If, as I have said over and over again, my honorable friends who support this railway will come down with a scheme, and say, "This is 80 per cent. a State matter, and 20 per cent. a Commonwealth matter," I shall be very happy, if the time has arrived to build a railway, and the facts prove that it is desirable to build it, to let the Commonwealth bear its fair share. But to ask us to bear the expense of exploring a portion of a State, in order that we may determine whether it would be a good thing to open that portion by railway, is to ask us to do what we in the other States have already done for ourselves. I have indeed more right to ask the Federal Parliament to take over the main line of railway which is the high-road between this city and Hobart, than Western Australia has to ask us to pay for the survey of a portion of her territory. For years we in Tasmania have been paying interest on the railway, which carries the mails of the Commonwealth from one end of Tasmania to the other. We have not asked the Commonwealth to pay that interest for us. We have not asked the Commonwealth to build any of our State railways. The only thing that could justify the State of Western Australia in asking us to assist in building that railway would be an admission of her willingness that we should federate our revenues, and have a *per capita* system. But I find that the Premier of Western Australia holds up his hands one moment for the transcontinental railway, and the next says that he is by no means in favour of a *per capita* distribution. He wants our little State of Tasmania, which, as Senator Mulcahy has told us, has been deprived of £800,000 of revenue in five years, to put its hand in its pocket to assist to build a railway in order to help his State to improve its prosperity; but when it comes to supporting a proposal which contains the principle of true Federation—not a bit of it! He will not consent to divide the revenue *per capita*, because he has a disproportionate number of males there, the bread-winners of families in other parts of Australia. He is a Federalist when we talk about the railway, but he is merely a provincialist when it comes to a matter of federating the revenue. Is that justice? Is that fair play? Is that the sort of conduct we might expect from Western Australia, the richest State

in the whole Commonwealth—the State which made so much noise that special provisions had to be made under the Constitution in her favour, and which would not enter the Union unless we gave her those special concessions? But little Tasmania received no assistance, and is now asked to share the cost of building a railway for this rich State. I regard the proposal as the greatest of wrongs. But here is Sir John Forrest at it again—lobbying and canvassing, and persuading and coaxing in favour of his pet railway. It is the greatest piece of injustice imaginable. Might I, in the most friendly way, ask my honorable friend, the Minister of Defence, who has had a great deal of experience of public life, whether he cannot find some better way of managing the press than he has now? It appears to me that the press interviews him every morning, and that on many occasions when he would like to send the reporters away empty they will not go until they have got him to talk. If we had an old woman as Minister of Defence I could understand there being a certain amount of idle chatter, but with an experienced politician like my honorable friend at the head of the Department I really cannot understand it. On one occasion what do I find that he did? Although there has been an inquiry, and a Commonwealth officer has been to some extent, I will not say disgraced, but found fault with, held up to public odium, and severely punished, my honorable friend has gone out of his way—to get rid of a reporter. I suppose—to talk of the conduct of this officer as being most reprehensible, and to condemn him over again.

Senator PLAYFORD.—I never did anything of the sort. I simply wrote a minute on the papers relating to the case.

Senator DOBSON.—I read a paragraph in the newspapers stating that my honorable friend had further condemned the officer. Then he received a letter from Captain Crouch, in which—between the verdict of the jury, so to speak, and the giving of judgment—that gentleman expressed the hope that the junior officers whose conduct had been mentioned in the course of the case would not be punished.

Senator PLAYFORD.—I could not help Captain Crouch writing to me.

Senator DOBSON.—The Minister of Defence might have told Mr. Crouch what he thought of him. What would be thought

of me if a client of mine were found guilty, and I wrote to the Judge giving reasons why the offender should not be punished?

Senator PLAYFORD.—I was not the Judge; I told Mr. Crouch that the report had been handed to the Commandant for him to deal with it.

Senator DOBSON.—The Minister of Defence told a reporter of matters of which he ought not to have spoken.

Senator PLAYFORD.—I did no such thing.

Senator DOBSON.—The Minister called the officer names, and spoke of his conduct as reprehensible; and yet when Mr. Crouch or the reporters came to him, the Minister had nothing to say as to their conduct. The Minister of Defence calls that administering the Department on the lines of fair play and justice to the officers. I am astonished at the way matters are conducted in the Department. The Minister travelled to Thursday Island, and when he returned, he again had a confidential chat with the reporters, and told them that it was astonishing what might be learned when travelling. He had to travel with a retinue of clerks, majors, and adjutants, in order to learn that the organization of his Department was on improper lines. All this shows that the Minister ought to give more attention to his Department.

Senator PLAYFORD.—It would appear that I give too much.

Senator DOBSON.—All this arises from the fact that Ministers like to go galloping home, and do not attend to administration. The Departments are administered in a slipshod fashion, and more by the permanent secretaries than by the Ministers. When we get our capital in the bush, whether it be a capital of palaces or of wattle and daub, we shall never know where to find the Ministers. I should like to point out that in addition to the £12,800,000 expenditure on the four items I have named, we are losing about £400,000 per annum in connexion with the sugar bonus. I do not know what is proposed to be done in regard to nationalizing the tobacco industry, establishing Federal mail steamers, taking over the Northern Territory, and thereby losing £80,000 a year, or with the bonuses. The Victorian Government voted, I think, £100,000 for butter bonuses, so that I daresay the Federal Government will vote about £200,000 for other bonuses. As one honorable senator

has said, out of the £100,000 voted by the Victorian Government, some £25,000 went to the producers and £75,000 to the speculators. I very much doubt whether it was a statesmanlike act to give a bonus of the kind for a simple industry like that of butter-making; I can understand a bonus being offered for a new industry, such as the cultivation of cotton or coffee, which we desire to encourage, and which must be first carried on at a loss; but I never could understand the justification for the Victorian butter bonus, seeing that butter is a commodity which every one can make. As a fact, the industry got only £25,000 of the amount expended in bonuses, whilst £75,000 went to men who did not act very fairly or squarely in the matter.

Senator STYLES.—The butter bonus did a lot of good to Australia generally.

Senator DOBSON.—But the facts show that the industry could have been started with an expenditure of £25,000.

Senator MILLEN.—New South Wales never gave any butter bonus.

Senator DOBSON.—Quite so; and there should have been no necessity for a bonus to establish one of the simplest industries in life. I am looking forward with considerable interest to the Colonial Conference, which, I hope, will be held in London early next year. As to the most emphatic verdict of the English public on the subject of trade preference, to which Senator Pulsford has alluded, it is to me a matter of grievous disappointment. I cannot imagine any better way of binding the Empire together than by means of commerce and trade. I am not sufficiently up in the matter to suggest a scheme, and I never met a man who was; but I cannot understand people who say that there is no scheme—that we cannot bind the Empire closer by trading with one another, and that preferential trade is not in the interest of free-trade. I am in favour of strengthening the Imperial ties in every possible way, and I cannot understand a free-trader who will not discuss the matter, and who keeps on asserting that we cannot have preferential trade. I say that we can, and I have read one book by Professor Ashley, and numerous arguments and articles, which, to my mind, are unanswerable, in support of my view. But what the scheme is to be I am not in a position to say, though that there can be, and will be, some scheme I firmly believe.

There is, however, such a strong feeling in England against preferential trade, owing chiefly to the "cheap loaf" cry, and to prejudice and mis-statements, that probably Mr. Chamberlain will be dead before his side of the question can be placed before the British elector. Just the same sort of unfair arguments seem to be advanced there as are advanced in Australia—arguments based on untruth and prejudice. The duty of a shilling on corn produced £2,400,000, and did not increase the price of the loaf in any way whatever. It may have made the flour a little more expensive, but it did not increase the price of the loaf. Another 1s. added to the duty might have raised the price. Seeing that the people of England were told that the duties on tea, sugar, and other necessities would be lightened, I cannot understand their action. So far as I can see, a skilfully devised system of preferential trade would make for free-trade within the Empire, and I cannot understand the prejudice on the part of the free-traders.

Senator PULSFORD.—That is the honorable senator's trouble — he cannot understand.

Senator DOBSON.—I cannot. I think the attitude of the free-traders arises more from party feeling and prejudice than from any great belief in the principles they enunciate. Any principle may be made mischievous if it be carried to an extreme. I find that trade with foreign nations is increasing at a greater ratio than is the trade with Great Britain. While I do not desire to check that foreign trade altogether, I should certainly like to see more business done with the Home country, and I think that result could be brought about by means of preferential trade. A strange circumstance occurs to me at this moment. I recollect reading article after article by Sir Robert Giffen, who is an earnest free-trader, and who declared that it was absolutely necessary to broaden the basis of taxation. He went on to say that some £8,000,000 or £9,000,000 would have to be raised by imposing duties of 5 per cent., 7½ per cent., or 10 per cent. But the moment Mr. Chamberlain came forward with his scheme, no more of these articles were seen from Sir Robert Giffen. And now, if anybody suggests a 5 per cent. duty for the purposes of revenue, the free-traders declare that it is a protective duty. They would say the same of a 10 per cent. duty,

and no doubt that would be protective; but it would bring in £8,000,000 in revenue, which is very much wanted. There is one thing more I desire to say. I do not know what the issues of the next electoral campaign are to be, but I very much regret to find the position in which the Prime Minister stands at this moment. I have a great regard for Mr. Deakin, and nobody who knows him can help liking him; but it appears to me that he is in the wrong place. And he is in that place by — unconsciously, I presume — violating his principles. After the speech he made against the "three elevens," it is a matter of the deepest regret to me that he should be living politically on the very system he condemned. It appears to me that there is no explanation for the situation. Although I have tried, I cannot see the difference between the conditions existing at the time when he took office and the time when he uttered that remarkable speech. The only way in which Mr. Deakin could have been loyal to the principles he had enunciated, was by offering the Labour Party portfolios, and trying by that means to reduce the number of parties to two. But the honorable gentleman kept all the portfolios for his own friends and supporters, and continued and accentuated the very state of affairs which he told us was wrong and unconstitutional. In that speech he told us that one of the "elevens" was nothing better than a machine without a conscience. The way to break down that machine, and to show that he adhered to his principles, would have been to offer Mr. Watson and another member of the Labour Party portfolios. But the honorable gentleman did not do so, and thereby accentuated the trouble. I am sorry to say that, in my opinion, Mr. Deakin has lost the confidence of thousands of people in Australia, and the sooner the situation is put to an end the better. The third party with which we have to deal is a machine controlled by people who are outside this Parliament, and with whom the Parliament has nothing to do. That organization is founded on wrong, injustice, and class legislation, and it cannot continue. Honorable senators may laugh or sneer, as they please, but the Prime Minister's words were absolutely true. Men who are sent here as representatives of and as trustees for the public cannot do their duty if they are controlled by an outside organization, consisting of ignoramuses or clever men, as

the case may be. I am allowing that some of these men are clever, I dare say wonderfully clever, but I am quite sure that a great many are just as wonderfully ignorant. By these men the Labour Party are governed, and their representatives come here with their mouths opened or shut, according to the way in which the strings are pulled. I believe every word that Mr. Deakin said in that speech, and I regret that he is living on the wrong he condemned. I hope that, for Mr. Deakin's sake, and for the sake of the Commonwealth, the electors will put an end to the position. But the position cannot be put an end to without the help of the Labour Party, and if that party do not help, they deserve to be opposed tooth and nail by every sensible man and woman in the community. That party may declare as they like that they do not advocate class legislation; their whole organization shows that to be an absolutely false statement. They must stand before the public as men who simply support their own class, caring nothing for any one else; their organization and the whole work of their political machine shows that to be the fact. If the Labour Party adhere to those politics and to their machine—if they fall down and worship the machine, and are ruled by it—they proclaim to the world that they care for class legislation, and for class legislation only.

Senator Col. NEILD (New South Wales) [9.30].—There are a considerable number of topics in this marvellously lengthy speech by His Excellency which might be discussed; but those which are of the most consequence may, perhaps, be more conveniently dealt with in connexion with future attempts at legislation, or with specific resolutions. In His Excellency the Governor-General's speech there are to be found two paragraphs, one or both of which I intend to bring before the Senate on motion. The fact that I contemplate such a proceeding will not prevent me from drawing attention at this stage to the persistent attempts being made to belittle the status of the Senate as a portion of the Federal Constitution. I understand that reference has been made to the matter this afternoon, and therefore I do not intend to labour it by reviewing the history of the efforts made by this Chamber to maintain and insist upon the recognition of its status as a co-ordinate branch of the Federal Legislature. But when I find that, not-

withstanding resolutions adopted by us, including a motion embodying an address to His Excellency, which was passed a little more than two years ago—

Senator DE LARGIE.—Who moved that motion?

Senator Col. NEILD. — The motion was moved by myself, on the 14th April, 1904, and was adopted by the overwhelming majority of seventeen to five. It was in these words—

That an address be presented to His Excellency the Governor-General, praying His Excellency that on all occasions when proroguing Parliament, in acknowledging the grant of Supply, due recognition shall be made of the constitutional fact that the said grant is the joint act of the Senate and the House of Representatives, and not the House of Representatives alone.

Notwithstanding the passing of that resolution, we find that in respect of the granting of Supply, the Senate was absolutely, and, I am afraid I must say, studiously, ignored in the speech that was read by His Excellency in this place a few days ago. I cannot believe that a Ministry possessing so much constitutional talent as that to which some at least of its members may lay claim, would allow an address from the Throne to be carelessly and loosely put together. I cannot suppose that a document of this length did not receive very considerable attention. And yet we find that, in connexion with the granting of Supply, this Chamber is ignored, and that the paragraph dealing with it is addressed exclusively to "Gentlemen of the House of Representatives." When the motion to which I have referred was carried the present Minister for Defence, who was holding office as Vice-President of the Executive Council, assured us that what had happened was really an accident, and promised that it would not occur again. Yet it has occurred.

Senator PLAYFORD.—The honorable senator should give a man a chance. He should allow for one forgetting a few of the things that happened two years ago.

Senator Col. NEILD.—This is something more than a personal matter.

Senator PLAYFORD.—I had forgotten the passing of the motion in question, otherwise the line to which the honorable senator refers would not have appeared.

Senator Col. NEILD.—I was going to say that I know that the honorable senator has been travelling over a wide area in the discharge of the duties of his Depart-

ment, and that I do not know that he was present when the speech was considered by his colleagues. Necessarily, I do not know whether the speech ever came before him, and I do not impute to him personally any blame whatever. It is unfortunate, however, that history repeats itself in this matter. On the first occasion that I moved a motion with reference to the ignoring of the constitutional position of the Senate, Senator Drake, who was then in office, promised that it should never happen again, and I was induced to withdraw my proposition. It did occur again, and Senator Drake then pleaded forgetfulness.

Senator MILLEN.—When Senator Drake was in office he gave effect to his promise.

Senator Col. NEILD.—I think that he held office as Attorney-General on the second occasion, and I pressed my motion to a division, and carried it. Several who participated in the debate were not present when the division took place, but the attendance, when the question was debated, was a reasonably large one. It is my intention later on to submit a motion relating to this question, but at present I content myself by drawing attention to it. I am sure, Mr. President, that I may appeal to you, as a high constitutional authority, for, at all events, a mental indorsement of the proposition that when we are working out the destinies of a new Constitution, we ought, undoubtedly, to be careful in the creation of precedents; we ought to be careful to maintain the obligations that are placed upon us in respect of our own privileges. No one can enjoy a privilege without an accompanying responsibility. We enjoy under the Constitution great privileges of legislation, and without a failure of duty we cannot pass by those happenings which trespass upon our privileges, and impair our responsibility to those who sent us here. I shall not refer to any other topic. This is a matter of such considerable importance that I am warranted in mentioning it, and also, perhaps, in referring to the next paragraph in the speech which relates to the electoral divisions. Electoral divisions in connexion with elections to the House of Representatives may have no direct interest for honorable senators, but there is certainly cast upon this Chamber the duty to legislate upon the subject. We joined with another place last session in passing a measure to regulate these very distributions. I shall not discuss the matter, and do not

desire to do so, but the very fact that the Senate is called upon to deal with the redistributions—that notice has been given requiring us to deal with them—shows that a duty is cast upon us in connexion with them. This is a matter to which Senator Playford cannot take exception, because it has not been raised before. Why should the Governor-General be asked or induced by any set of advisers, in a clause of his speech, to ignore this Chamber when dealing with the redistribution schemes? The redistributions cannot possibly become law until the resolutions relating to them have been passed by both Houses. That being so, why is one branch of the Legislature addressed and the Senate ignored? It seems to me that the course adopted has been the result of a falling back unwisely and densely upon the practice that has hitherto existed, and must continue to exist, under the States Constitutions, which are unlike our own. I refer to the practice of including in the Governor's speech a couple of special clauses addressed to only one branch of the Legislature. The necessity for this does not exist under our Constitution, and I raise these few words of protest against the continued and persistent ignoring of our position under the Federal Constitution. We shall seriously fail in our duty if we allow that position to be eroded by persistent efforts on the part of Ministries to do that which is not only most prejudicial to the working of the Constitution, but is unconstitutional, and to this Chamber most needlessly discourteous.

Debate (on motion by Senator HIGGS) adjourned.

PAPERS.

MINISTERS laid upon the table the following papers—

Correspondence as to preferential trade with South Africa.

Ordered to be printed.

Commonwealth and State Premiers and Ministers Conference report, debates, agenda papers, minutes of proceedings, and appendices.

Correspondence relating to resolutions of the Parliament of New South Wales with reference to the Federal Capital Site.

ADJOURNMENT.

ORDER OF BUSINESS.

Motion (by Senator PLAYFORD) proposed—

That the Senate do now adjourn.

Senator O'KEEFE (Tasmania) [9.45].—I desire to ask the Minister of Defence

whether, in the event of the ordinary business being completed before the usual hour for adjournment to-morrow, he will have any objection to the Senate considering my notice of motion referring to the proposed importation of rabbit microbes. In the other House, similar business has been under discussion both this afternoon and this evening, and, understanding that to-morrow we are likely to adjourn for two or three weeks—

Senator STANFORTH SMITH.—Shame!

Senator O'KEEFE.—I understand it is likely that there may be an adjournment of the Senate.

Senator DOBSON.—No. Go on with the business.

Senator MILLEN.—There will be no adjournment if the honorable senator's motion is allowed to come on.

Senator O'KEEFE. — Understanding that there may be an adjournment from to-morrow, it might be well if such an important matter as the importation of rabbit microbes were considered here at something like the same time as it is being considered in the other House. If there are no insuperable difficulties in the way, perhaps the Minister of Defence may afford that opportunity, provided, of course, that the ordinary business be completed some time before the usual hour of adjournment to-morrow.

Senator Lt.-Col. GOULD.—Does the honorable senator expect to finish the debate on his motion to-morrow?

Senator O'KEEFE.—No.

Senator PLAYFORD (South Australia—Minister of Defence) [9.46]. — I am quite prepared to give an opportunity to any honorable senator to bring forward any motion which he thinks is of sufficient importance to warrant its introduction in an unusual way. If by 4 o'clock to-morrow we have concluded the debate on the Address-in-Reply to the Governor-General's speech, passed the motions relating to the distribution of the States into electoral divisions for the return of the members of the House of Representatives, and passed the first reading of two Bills of which my honorable colleague has given notice, I shall propose an adjournment—over next week, at all events. But if, on the other hand, honorable senators wish to proceed with any other special business, I can go on next week with the second reading of the two Bills to which I have referred, and possibly I shall be able to get

another Bill or two introduced, so as to fill up the whole of that week. It may happen that to-morrow I shall not move for an adjournment at all, but will ask the Senate to meet next week and go on so far as the business that we have upon the paper will permit. It will depend entirely upon honorable senators as to whether the whole of next week—that is, the three days—may be fully occupied. But I anticipate that, with the Bills—and, of course, with the private business on Thursday—there will be quite sufficient business to occupy our attention for the whole of next week. We have a certain amount of business on the notice-paper, and, under these circumstances, I shall not unless the Senate wish otherwise, move for an adjournment.

Senator WALKER.—Will there not be a Supply Bill sent up next week?

Senator PLAYFORD.—We can do without a Supply Bill for three weeks. Last year the first Supply Bill was not passed until the 6th or 7th of July.

Question resolved in the affirmative.

Senate adjourned at 9.48 p.m.

House of Representatives.

Thursday, 14 June, 1906.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

NEW HEBRIDES.

Mr. JOHNSON.—I wish to know from the Prime Minister if he is yet at liberty to state to the House the terms of the communication in connexion with the New Hebrides question recently sent to the Home Government?

Mr. DEAKIN.—The late Right Honorable Mr. Seddon and myself concurred in a cablegram to the Secretary of State for the Colonies, which has not yet received a reply.

SHIPPING COMMISSION.

Mr. FRAZER.—Is the Prime Minister in a position to inform the House when the report of the Shipping Commission is likely to be presented?

Mr. DEAKIN.—I understand from what I have read in the press that the evidence has been concluded, and the

Chairman's draft report circulated. Without wishing to suggest that there has been delay on the part of the Commission, I should be very glad if the report can be presented very soon, to be considered in connexion with cognate subjects.

NEW ZEALAND RECIPROCITY.

Mr. DUGALD THOMSON.—In view of certain statements which have appeared in the Sydney press as to the unequal treatment accorded Australian ships in New Zealand waters compared with that accorded to New Zealand ships in Australian waters, and the unequal imposition of taxation, will the Prime Minister, as far as the powers of the Commonwealth extend, see that any arrangements entered into with New Zealand for the purpose of securing reciprocity are complete and not partial?

Mr. DEAKIN.—I am indebted to the honorable member for the first intimation that there is such a difference of treatment. If he will oblige the Minister for Trade and Customs, within whose Department navigation comes, with references to the statements to which he has referred, the matter will, I am sure, receive the Minister's best consideration.

ELECTORAL ROLLS.

Mr. WATKINS.—In view of the condition of the electoral rolls in some of the States, and the fact that new distributions have just been agreed to, will the Minister for Home Affairs consider the advisability of ordering a fresh collection of names in those States?

Mr. GROOM.—The collection of names by the police was finished at the end of March of last year, and upon it the printed rolls were based. In New South Wales, Queensland, and some of the other States another collection has since been made by the police for the compilation of the State rolls, and I have consulted the Chief Electoral Officer as to the advisability of obtaining the names so collected, with a view to supplying omissions from the Commonwealth rolls. This information will be obtained, and we are taking other steps to the same end, which I will mention in replying to a question on the notice-paper.

Mr. KING O'MALLEY.—Will the Minister see that this information is obtained in regard to the State of Tasmania?

Mr. CROUCH.—And in regard to the State of Victoria?

Mr. GROOM.—It is our desire to obtain such information in regard to every State in which it is obtainable.

Mr. CROUCH.—Omissions from the Commonwealth rolls should be made good even in those States where the police have not collected names for the State rolls.

Mr. GROOM.—I am using all means to obtain additional information, but it is impossible to order a fresh collection of names by the police, because of the time required, and because the last compilation was made so recently as March of last year.

OLD-AGE PENSIONS COMMISSION.

Sir LANGDON BONYTHON. — Do the Government contemplate any action with regard to the report of the Old-age Pensions Commission, beyond laying it on the table of the House?

Mr. DEAKIN.—In the absence of the Postmaster-General, who was Chairman of the Commission, perhaps the honorable member will repeat his question at a later date.

TRANSFER OF POSTAL OFFICIALS.

Mr. JOHNSON.—I addressed a communication to the Minister of Home Affairs a little time ago with reference to a proposal of the Public Service Inspector to remove several postmasters from certain districts to other districts. It was brought under my notice that these removals may seriously impair the effective administration of the Electoral Department, since the postmasters concerned are also electoral registrars for the districts in which they are stationed, and I wish, therefore, to know from the Minister what steps he has taken, or proposes to take, to safeguard the interests of his Department.

Mr. GROOM.—The honorable member's letter was referred to the Public Service Commissioner, but before receiving it the Department had asked that electoral efficiency should be considered in connexion with all transfers of postal officials. The matter is now before the Commissioner.

Mr. JOHNSON.—These officials could be removed to other offices in their present districts.

Mr. GROOM.—Some of the changes are rendered necessary by the Public Service classification, but we have asked that the exigencies of electoral administration may be borne in mind in connexion with all transfers of postal officials.

PAPERS.

MINISTERS laid upon the table the following papers:—

Correspondence relating to preferential trade with South Africa.

Correspondence relating to preferential trade passed by the New South Wales Parliament with reference to the Federal Capital Site.

Report, &c., of the Conference of Commonwealth and State Premiers and Ministers, held at Sydney in April.

Report of the Royal Commission on the Navigation Bill.

Report of the Royal Commission on the Tobacco industry.

Report by Mr. W. J. P. Giddings on Dr. Danysz's proposed experiments for the destruction of rabbits.

Regulations under the Immigration Restriction Acts 1901-1905—Statutory Rules 1906, No. 10.

Transfers under the Audit Act approved by the Governor-General in Council, financial year 1905-6, dated 12th June, 1906.

ELECTORAL DIVISIONS.

Mr. BATCHELOR.—I wish to know from the Minister of Home Affairs, if practical steps have yet been taken to give effect to the desire of the Electoral Office that, to simplify administration, the Commonwealth electorates shall be groups of State electorates, the two sets of boundaries being coterminous?

Mr. GROOM.—The Prime Minister, at the last Conference of Premiers, asked if anything could be done in that direction to secure electoral uniformity, and the Conference consented to a meeting of the Commonwealth and State electoral officials, who affirmed the desirability of securing electoral uniformity in this and other matters. The Chief Electoral Officer reported to me on the subject, while the State officers reported to the heads of their Departments. I have made public the report of my officer, and it now rests with the States to take such legislative action as may be necessary to give effect to the reports. I have not received any official information on the subject, but I understand that the matter is now receiving consideration in the States.

POSTAGE ON MAIL VESSELS.

Mr. CULPIN.—I understand that letters posted on board the vessels of the Orient Royal Mail Steamship Company, when travelling between Australian ports, bear British stamps, but it seems to me that, as the company is under contract to this Government for the conveyance of its mails, that arrangement is a very strange one. I should like to be informed by the Acting Postmas-

ter-General whether it is in accordance with the regulations.

Mr. EWING.—I shall be glad to make inquiries into the matter, and may be able to give the honorable member some information on Tuesday next.

CHAIRMAN OF COMMITTEES.

Mr. CONROY.—I understand that notices of motion in connexion with the election of a Chairman of Committees have been given by the honorable members for Boothby and Wimmera; but it seems to me that it will be impossible for the House to express its opinion as to the suitability of the candidates for the office unless we commence by a motion affirming the desirability of proceeding to the election of a Chairman, when it will be open for honorable members to suggest the names of desirable candidates. If that step is not taken, I shall feel bound to give notice of a motion suggesting a third name.

Mr. SPEAKER. — Notices of motion have been given in the interests of two honorable members, and it is conceivable that a difficulty might arise if similar notices were given in the interests of any larger number, because, during the discussion of the first motion, it might be found impossible to move the substitution of the name of a candidate proposed in one of the other motions, on the ground that such an amendment would anticipate the discussion of a subsequent motion. I fancy that it will be found convenient—though I am not giving a ruling to the effect that this is necessary—to follow the procedure of last year, when I think it was moved that a ballot be taken, though the taking of a ballot became unnecessary, because only two names were submitted. I suggest that the matter be looked into before the motions are brought on, so that some agreement may be arrived at.

DEPORTATION OF KANAKAS.

Mr. MAHON asked the Prime Minister, *upon notice*—

1. Has his attention been drawn to a statement attributed to Mr. Kidston, a Queensland Minister of State, published about 1st April, 1906, to the following effect:—

That the Queensland Government would not provide food and clothing for the kanakas about to be repatriated; that the Federal Government must do it; and that the same Government must bear the cost of deporting the kanakas to their native islands?

2. If it be a fact that the kanakas referred to were brought into Queensland by Queensland for the sole benefit of a Queensland industry, does he consider it equitable that other States of the Commonwealth should bear any share in the cost of returning such kanakas to their islands or of maintaining them in the meantime?

3. Is it correct that a fund existed (to which sugar planters contributed) to meet the necessary expenses of returning Pacific Island labourers to their homes on completion of their periods of engagement, and that this fund has been merged into the State revenue of Queensland and disbursed for purposes foreign to the object for which the money was collected?

4. Does the Government intend to relieve the State of Queensland of any of its obligations to repatriate at its own expense the Pacific Islanders whom that State, for its own special advantage, introduced into Australia; and, if so, to what extent?

5. If, in addition to the sugar subsidy, and other special concessions granted to Queensland, the Government proposes to bear any portion of the expense of maintaining or of repatriating kanakas, can the Prime Minister say whether the Constitution admits of the consequent expenditure being adjusted so as to exempt from contribution those States which preferred to leave large areas suitable for sugar production unused rather than follow Queensland's example in importing coloured labour to carry on the industry?

Mr. DEAKIN.—The answers to the honorable member's questions are as follow:—

1. No.

2-5. The Government are awaiting final replies from the High Commissioner of the Western Pacific and the British Resident in the New Hebrides.

As soon as possible after the receipt of these and of the report of the Queensland Royal Commission which is now inquiring into the situation respecting kanakas, the intentions of the Government will be communicated to Parliament. In considering the statement to be then made, regard will be had to the various matters referred to by the honorable member.

PAPUA: ELECTORAL REPRESENTATION.

Mr. BAMFORD asked the Minister of External Affairs, *upon notice*—

1. Whether a petition from certain residents of Papua was laid upon the table of this House during last October, praying for elective representation and trial by jury?

2. If so, is it the intention of the Government to take any action with a view to granting the prayer of the petitioners?

Mr. DEAKIN.—The answers to the honorable member's questions are as follow:—

1. Yes, on the 17th October, 1905, prior to the passage of the Papua Bill, in which no authority was conferred for giving effect to either of the proposals at present.

2. Experience of the new system of representation shortly to be introduced will be necessary before further legislation is contemplated.

TRADE MARKS ACT ADMINISTRATION.

Sir LANGDON BONYTHON (for Mr. GLYNN) asked the Minister of Trade and Customs, *upon notice*—

1. Whether a sub-office under the Trades Marks Act will be established in each of the States?

2. Whether copies of all essential particulars and other documents, with a proper index for reference, will be kept in each sub-office?

Sir WILLIAM LYNE.—In reply to the honorable and learned member's questions:—

1. Yes; except in the State in which the Trade Marks Office is situated.

2. Yes. The proposed regulations under the Act provide that every application must be accompanied by additional representations of the mark. The additional representations supplied are for the purpose of inspection at the sub-offices.

Particulars of all transactions connected with applications will be published in the *Trades Marks Official Journal*, copy of which will be available for inspection in each sub-office.

DR. DANYSZ'S EXPERIMENTS.

Sir LANGDON BONYTHON (for Mr. GLYNN) asked the Prime Minister, *upon notice*—

Whether he has received from Mr. J. R. Giddings, editor of *Faulding and Co.'s Journal*, South Australia, a report of Mr. Giddings' investigations into the proposed experiments of Dr. Danyasz *re* rabbit destruction; and if he has, will he lay it on the table of the House?

Sir WILLIAM LYNE.—I now lay upon the table a copy of Mr. Giddings' report.

ELECTORAL ACT: ENROLMENT FACILITIES.

Mr. KNOX asked the Minister of Home Affairs, *upon notice*—

1. Whether notices have been published drawing the attention of electors to the machinery for enrolment?

2. Whether electoral forms will be made available at all post-offices?

Mr. GROOM.—The answers to the honorable member's questions are as follow:—

1. Notices, drawing public attention to the machinery for enrolment, have been posted at Commonwealth and State public buildings throughout the Commonwealth.

2. All necessary forms for the use of the public, under the provisions of the *Commonwealth Electoral Acts* 1902, 1905, indorsed for free transmission through the post, have been made available at all post-offices throughout the Commonwealth.

MAJOR HAWKER'S CASE.

Mr. CROUCH asked the Minister representing the Minister of Defence, *upon notice*—

1. Whether during the recent Hawker inquiry it was stated by one witness, and afterwards admitted by the officer, that Major Hawker's Staff Captain and Adjutant had threatened that he could see five or six discharges sticking out for the men who gave evidence at the inquiry?

2. Whether the Minister has taken any, and what, steps to deal with this officer?

3. Does the Minister regard this officer's continuance in command of such threatened men advisable?

Mr. EWING.—I am informed that—

1. The official record of the evidence of the Staff Captain referred to is as follows:—

By Mr. Maxwell.—Did you remark, while this inquiry was open to any one, that you could see half-a-dozen discharges sticking out?—I said there would doubtless be discharges when we came to know who were the instigators of this matter, and it is my opinion now that any man—

By Mr. Maxwell (interrupting witness).—I say Captain Taylor's opinion is not evidence, and I ask that it be not taken down, if he persists in expressing it.

2. and 3. The Commandant's recommendation with regard to this Staff Captain will be considered by the Military Board next week.

Mr. CROUCH.—I rise to a point of order. I think that I have a right to ask for direct replies to my questions.

Mr. SPEAKER.—If, in the opinion of the honorable and learned member, any part of his question has not been answered, it will be competent for him to embody it in a further question, and have it placed on the notice-paper.

COMPETITIVE RAILWAY RATES.

Sir LANGDON BONYTHON (for Mr. GLYNN) asked the Minister of Home Affairs, *upon notice*—

1. Whether any competitive or other railway rates opposed to the provisions of the Constitution, or which were to be abolished under Federation, still exist?

2. What communications on the subject of such rates have passed between the Commonwealth and State Governments since last session?

Mr. GROOM.—The answers to the honorable member's questions are as follow:—

1. The questions have been the subject of correspondence for a long time, and the Hobart Conference, February, 1905, upon the motion of the Minister of Home Affairs (Mr. Thomson), agreed to the following resolution:—

It is desirable that the State Governments should themselves abandon all preferential or deferential rates, which would be abolished by an Inter-State Commis-

sion, and so save the expense of the appointment and maintenance of such a Commission.

From replies received to inquiries made of the State Governments, it is understood that such rates have been abolished, but the Queensland Government has again been asked as to certain railway rates upon wool between Longreach and Rockhampton, which it is alleged operate unfairly as far as South Australian railways are concerned. The matter was mentioned at the recent Conference of Premiers of States held at Sydney, and apparently none of the State Governments had then any grievance to put forward in connexion with the question. If any definite instances of rates inconsistent with the Constitution are brought under my notice, I will cause inquiry and representations to be made.

2. Only with Queensland in regard to the railway rates between Longreach and Rockhampton.

IMPERIAL DEFENCE COMMITTEE.

Mr. KELLY asked the Minister representing the Minister of Defence, *upon notice*—

1. Will the Imperial Defence Committee's report be printed and circulated? If so, when?

2. Would he lay on the table of the Library any correspondence bearing on this matter between Captain Creswell and Colonel Bridges and the Government?

Mr. EWING.—I am informed by the Minister of Defence that—

1. The report of the Imperial Defence Committee will not be received until the beginning of next month. The Government will then decide and inform the House as to what action is requisite.

2. So far no correspondence has been received.

INTRODUCTION OF MICROBES: RABBIT PEST.

Mr. HUGHES (West Sydney) [2.52].—I move—

That this House is of the opinion that, as the introduction of the microbes proposed by Dr. Danysz for the destruction of rabbits in the State of New South Wales may prove inimical to human and other animal life of Australia, it should not be permitted except for laboratory experiments.

This matter has been the subject of considerable discussion in the press of Australia—particularly of New South Wales and Victoria—and is of very great interest to the people of the Commonwealth. It may be premised that the experiments which Dr. Danysz has been brought out from France to conduct are being carried out under the ægis of the Stock and Pastures Protection Board of New South Wales, and not under Government control. It was originally the intention of the State Government to conduct these experiments, but inquiry proved

that they were likely to be rather costly, and the idea was abandoned. The Stock and Pastures Protection Board, which works under the Stock and Pastures Protection Act of New South Wales, then took up the matter, obtained private subscriptions amounting to a considerable sum, and made such arrangements with Dr. Danysz as resulted in his coming to New South Wales, and entering upon his work. I do not wish it to be supposed that I have any disrespect for Dr. Danysz, or that I cast the slightest reflection upon his scientific status. He belongs to the Pasteur Institute of France, which is known throughout the civilized world. He is, however, not acting for that body, but entirely on his own account. He has been paid a considerable sum to discover a disease that will prove fatal to the rabbit, and at the same time, harmless to other animals, and to human beings. I believe the Pasteur Institute conducted some experiments in the Argentine Republic and in California with the object of exterminating some pests there. These experiments were not, however, successful; whether they were wholly unsuccessful, I am unable to say.

MR. HENRY WILLIS.—Why did the honorable member refer to them if he knows nothing about them?

MR. HUGHES.—I know that the experiments were not successful. Practically the diseases used in the Argentine and California were more or less identical with chicken cholera, and, I understand from information supplied by Mr. Giddings, the editor of Faulding's *Chemical Journal*, set up a disease closely resembling swine fever. The rabbit pest is an extremely serious thing for New South Wales. I do not know of anything more serious. The losses caused by the ravages committed by the rabbits can hardly be measured by any sum of money that one could set down. The rabbits do not confine their attention to the rich squatter, but inflict injury on all sorts and conditions of men. I know that many of the poorer selectors have suffered very much indeed.

MR. WILKS.—The rabbits are Socialists.

MR. HUGHES.—Perhaps so. Both the selectors and the squatters have suffered very severely, and are still suffering. The means adopted in New South Wales to cope with the pest include the use of wire netting which is prescribed by law,

poison which is applied at the option of the pastoralists, and trapping. The use of wire netting has been attended with some success, and, in certain classes of country is, if thoroughly carried out, all that is necessary. But, unfortunately, the lessees and owners of the land have not applied it with the degree of thoroughness that is demanded, nor have they resorted to the subdivision of paddocks that is essential to complete success. Poisoning is being carried on at the present time to a very considerable extent, and with results that are satisfactory enough, but which, at the same time, have their drawbacks. For instance, stock is suffering from the effects of eating poisoned rabbits. I believe that the crows and other birds have been destroyed in thousands, and are now swearing off rabbits and resorting to a vegetable diet. Trapping, carried on for some time, has lately received an impetus which has placed the industry on a footing altogether different from that which it has hitherto occupied, and one which deserves the most serious consideration from an economic stand-point. On this I shall say a few words later on. It is now proposed to deal with the rabbit pest by the introduction of a virus which will be fatal to the rabbits, but harmless to other forms of animal life. It was proposed that these experiments should be conducted on Broughton Island—an island which is situated to the north of Newcastle, and separated from the mainland by a few miles—in one place, I believe, by only about a mile and a half. The Council of Advice, which has made the arrangement with Dr. Danysz, has erected suitable buildings, and conveyed animals of all sorts there, including a very large number of rabbits, so that everything was in a fit state of preparation for this scientist to commence operations when he landed, a few days ago. Up to last week the Government of New South Wales, apparently, had no intention of doing other than to permit him to carry on experiments upon the island. But a volume of public opinion was aroused in that State—for reasons which I shall presently set forth—which led the Government to realize that it was inadvisable for them to allow this course to be followed. It was shown that the public health might suffer, and that stock was likely to be infected, and a considerable and profitable industry destroyed as the result of these experiments. Now

the Act under which noxious microbes may be introduced into New South Wales is known as the Noxious Microbes Act, and I understand that the Government of that State permitted the preparations on Broughton Island under the impression that sections 8 and 9 of that Statute were applicable, although it is very obvious, upon a perusal of its provisions, that section 11 alone governs the introduction of microbes for the purpose of destroying rabbits. Under that section it is not competent for the Minister of Lands, who is charged with the administration of that Act, to permit the introduction of any noxious microbes for the purpose of destroying rabbits or other wild animals, except certain conditions are complied with. Briefly, these are, that experiments must be made which prove to the satisfaction of the Minister that the microbes are not harmful to human or animal life. The Minister may then issue a proclamation sanctioning their introduction, but he must lay on the table of both Houses of the New South Wales Parliament a notification to that effect thirty days prior to the proclamation taking effect. After the lapse of that time, if Parliament is silent, or acquiesces in the notification, the proclamation may take effect, and such further experiments or inoculation may take place as may be deemed fit. The present position in New South Wales is that the experiments are to be conducted—so the Minister of Lands, Mr. Ashton, says—in a laboratory. I should just like to say that it is essential, in the interests and welfare of the whole Commonwealth, that these experiments should be conducted in a laboratory, under such rigid conditions as the latest scientific knowledge has shown to be necessary, and under the control of such men as, by training and knowledge, are fitted to safeguard property and health. This is not a question which concerns New South Wales alone. It is very obvious that a disease which may prove fatal to rabbits and to stock in that State is very liable to cross the borders into Victoria and the adjoining States. Therefore, the question is no longer one which it is merely within the province of New South Wales to decide, or one which concerns that State alone. On the contrary, it concerns the whole of Australia. It has been pointed out that the proposed experiments which Dr. Danyasz seems to enter upon with a very light heart, and without, apparently,

Mr. Hughes.

having considered exactly what effects may flow from them, are fraught with the very greatest danger. Upon Thursday last Dr. Danyasz, in an interview which was published in a Sydney newspaper, said—

Microbes to scientists to-day were like what trees were to a botanist. They had them all classified. It was an ill-founded fear that in introducing disease amongst rabbits it might spread to stock.

That is very good so far as it goes. But Dr. Frank Tidswell, the micro-bacteriologist of the New South Wales Health Department, states that it is not a fact that these microbes have been classified. He assumes that they belong to one family, are not easily, if at all, distinguishable, and may introduce diseases which have different symptoms, although the bacteria are practically identical. It has been pointed out, too, that diseases of this sort, passing through various hosts, may alter their form, their virulence, and their very nature, and that, consequently, a disease which in the rabbit may assume a certain form, may in a sheep or a human being assume an entirely different form. Professor Anderson Stuart, a man of world-wide reputation, Dean of the Medical Faculty, and Professor of Physiology at the Sydney University, and formerly president of the New South Wales Board of Health, and chairman of the Prince Alfred Hospital, in a recent interview is reported to have said—

This is not a matter for New South Wales to act in alone, for if the experiments should result in a spread of disease, no frontier will exist in which to confine such disease.

Speaking of the possible results of the proposed experiments—and I would like honorable members to pay particular attention to this—he says—

They will find no organism that will exterminate the rabbits. All they can hope for is something that will be a superior kind of poison—superior in the sense of being a living organism that will be passed on from individual to individual, till, like every other organism of the sort, it loses its virulence.

He gives an instance which is within the knowledge of honorable members who represent New South Wales and some of the other States, mentioning the effect of plague upon rats. He says—

What can be more fatal to rats than plague? But plague does not exterminate the rats, neither will any organism exterminate rabbits. And whatever happens on Broughton Island there will still have to be experiments made in the interior of the continent.

These are the words of a man who is at the very top of his profession in Australia. His statement stands against anything that Dr. Danysz can say to the contrary. Professor Anderson Stuart is a gentleman who—as I have said—has occupied an official position in New South Wales. Moreover, he has the advantage of an intimate knowledge of the peculiarities of the Australian climate, which is so different from that of other countries that it is at least probable that any organism which might perhaps have one effect in Europe and America would have an entirely different effect here. On this point he says—

This means that if they succeed in exterminating or greatly reducing the rabbits on Broughton Island, their methods may fail entirely when applied in the interior of the continent; but, on the other hand, if they fail at Broughton Island, upon the whole, they are more likely to fail in the interior. This is somewhat difficult to express, but putting it in other words, a negative result on the island is more likely to be associated with a negative result in the interior, than a positive result on the island is to be associated with a positive result on the mainland.

Here, then, it is proposed to engage in experiments, the result of which must be—according to the statements of scientific men—at least, extremely doubtful. These experiments may extend, so I understand, over some two years. The contract with Dr. Danysz is for two years, and may be renewed. It is not hoped that anything can be decided before that time. After that period has elapsed larger experiments must be made in those districts of New South Wales in which the rabbit is a real pest. Upon the New South Wales coast at the present time it is not a pest.

Mr. CONROY.—It is fast becoming one.

Mr. HUGHES.—I knew that the honorable and learned member would say that. At the present time, however, we are not dealing with what may happen. As a matter of fact, upon the New South Wales coast the rabbit is not a pest at the present time.

Mr. WILSON.—To what part of the coast is the honorable and learned member referring?

Mr. HUGHES.—I am speaking of the New South Wales coast.

Mr. WILSON.—Upon the coast of Victoria the rabbit is a very serious pest.

Mr. HUGHES.—So much the worse for Victoria. However, that is quite immaterial to my argument. My point is that those who are conducting these experiments

are men whose whole interests are centred in the central and western districts of New South Wales. It is there that the pastoral industry is chiefly carried on. There the rabbits commit the greatest ravages, and it is there that the sparse population renders the spread of rabbits possible to any great extent. If the population of the Continent were anything like as dense as is that of England the rabbits would not be a pest at all. Where there are many people it is not usual to find many rabbits. They are a source of real benefit to the people, if they are allowed to trap them for the purposes of food. I understand that it is now proposed by the Government of New South Wales that the experiments of Dr. Danysz shall be conducted in a laboratory. It is to be noticed, however, that the Government of the State alone have the power of determining this matter, unless the Commonwealth Government chooses to take action to prevent them doing such things as will allow Dr. Danysz and those associated with him to conduct the experiments on Broughton Island. I wish specially to point out that we have a very imperfect knowledge of bacteriology, and of what microbes are capable of accomplishing. The knowledge of to-day is the antiquated lumber of to-morrow. That which was yesterday accepted without question is to-day set on one side. I wish further to point out that hitherto inoculation has been used chiefly for the purpose of rendering certain organisms immune from specific diseases. In this instance, however, it is proposed not to render any animal immune from disease, but to impregnate one species with a virus which will destroy it. It is almost the universal result of inoculating one animal with a disease that the virus, when introduced in another organism, causes different results and sometimes exhibits different forms and characteristics.

Mr. CONROY.—Speak of it as a polymorphous organism.

Mr. HUGHES.—Take, for instance, the attenuated virus from which we get the diphtheria anti-toxin. I do not profess, like the honorable and learned member for Werriwa, to be a bacteriologist.

Mr. CONROY.—I am not a bacteriologist, and I object to a Parliament which is not composed of bacteriologists laying down the law to scientific men.

Mr. HUGHES.—I am merely taking the liberty and the opportunity to set

before honorable members the statements of a matured and reputable scientist like Professor Anderson Stuart against those of the Council of Advice of the Pastoralists' Protection Board of New South Wales.

Mr. MALONEY.—And Dr. Cherry of Victoria.

Mr. HUGHES.—And other medical gentlemen, if honorable members please, whose knowledge of bacteriology is about as interesting and as valuable as would be the opinion of the honorable and learned member for Werriwa on an obscure point in ecclesiastical law. I was saying that heretofore it has not been the practice to use microbes for the purpose of curing disease or rendering an organism immune from attack. We do not know what will follow from these proposed experiments, but what we do know is that the probabilities are, first, that no culture can be produced that will exterminate rabbits. We have Professor Anderson Stuart's statement for that, and Dr. Danysz's admission, and the admission of all sorts of men, and I think it is not the hope of any section of the community, not even of the pastoralists, that anything will exterminate rabbits. All that can be expected is that their numbers may be diminished. On the one hand we have the chance of a partial diminution in the number of rabbits, and on the other we have the certainty that a disease will be introduced which may affect the health of the community and the health of other organisms, such as sheep or cattle. The President of the Linnæan Society of New South Wales, speaking lately on this project of destroying rabbits by disease, said that—

Taking past experience as a guide, it does seem desirable to be better assured than we are that the disease in question will confine itself to the rabbit. We have a parallel case in the plague bacillus, as affecting man and the rat in common, the latter being, like the rabbit, a rodent. The disease only kills those individuals which are susceptible, leaving others sufficiently resistant to recover or to escape infection altogether.

I wish to point out that, so far as we know, there never has been a bacillus—

Mr. CONROY.—Will the honorable and learned gentleman use the term "bacteria," which will embrace all forms of microorganisms.

Mr. HUGHES.—I will use the word "microbe," which I understand is a generic term. There never has been a microbe which has exterminated any spe-

cies. The plague in the Middle Ages swept over Europe, and people who were not immune, as the result of previous attacks, were killed in considerable numbers; but I do not suppose that it will be contended that more than 50 per cent. of the people subjected to that visitation were destroyed. In the Fijian Islands some forty or fifty years ago an epidemic of measles broke out amongst the people who had never had measles, and who were consequently susceptible to the disease, and some 40,000 of them were swept away. This was the effect of a disease which amongst ourselves, who are practically immune from its attacks, is considered a small matter.

Mr. HENRY WILLIS.—Under similar conditions of exposure many of our people would have died.

Mr. HUGHES.—It does not matter. The disease swept off a great number of the Fijians, but it did not exterminate the whole of the Fijian nation.

Mr. HENRY WILLIS.—All were not exposed in the same way.

Mr. HUGHES.—The point I am making is that no microbe we know of in any disease, whether it be consumption, cancer, if cancer be caused by a microbe, plague, or any other disease, has ever exterminated a whole species. I point out that during the recent recurrence of plague in Sydney the rats, though affected to a very large extent, recovered, and so far as I know there is no appreciable diminution in their numbers. The number of rats now brought to the destructors is as great as ever, and I do not think that the ravages of the plague have appreciably diminished their number, and at all events it has not affected them to the extent of extermination. It is proposed then to introduce this disease, and there is no prospect of the extermination of the rabbit. A considerable period of time must elapse before it is possible to discover anything which will seriously lessen their numbers, and in the meantime there is the economic side of the question to be considered, and that I now come to. The extent of the rabbit trade at the present time is extraordinary. I am given to understand that the number of persons employed in New South Wales in connexion with it is not less than 10,000. That is the number directly employed, and includes those engaged in trapping, in connexion with cold storage, the following of

the carts, and so on. I believe that some 4,000,000 of rabbits are handled every week in the Commonwealth, and this represents the payment of wages amounting to about £33,000. I understand that £1,716,000 represents the value of the trade of this industry for the last year; that the industry is growing every day; that the prices obtained for skins is very high; and that there is no more sign of a reduction in their price than there is of a reduction in the price of wool.

Mr. WILSON. — The honorable and learned gentleman is advocating the protection of the rabbit.

Mr. HUGHES. — I do nothing of the sort any more than I advocate the destruction of the honorable member's constituents, who are threatened equally with the sheep in his electorate with this microbe, and the putting of rabbits in their place, although if that were done it might, or might not, be fatal to the honorable member's representation of the electorate. What I do say is that here we have a definite fact, namely, that the industry employs 10,000 persons in New South Wales, and some 15,000 or more in the Commonwealth. The employment of 15,000 persons is a very big thing. I ask honorable members to remember that the wages paid in the industry are not starvation wages. They are very good wages. I should like to ask every honorable member whether, if it were proposed that an industry should be started in the Commonwealth that would give employment to, say, 20,000 people, every legitimate effort would not be used to start it?

Mr. LIDDELL. — At the expense of another industry?

Mr. HUGHES. — Every industry is started at the expense of some other industry. When a railway is run, it is at the expense of the industry of the carriers previously engaged in doing the trade to be done by the railway. But it is very easy to show that that objection does not apply here. If the Danysz experiment had for its purpose the absolute destruction of this industry, and the destruction of the pest, as the price of the destruction of the industry, that would be a good argument. But when there is only the problematic destruction of the pest, and the certain destruction of the industry, I say that puts the matter in a different light. If I am asked whether I would prefer to have rabbits or sheep, I would say that I would

prefer sheep. If, by waving my hand, I could wipe out all the rabbits in Australia, I would do so because sheep would be more profitable. But I say that to enter into an experiment which, in its nature and conclusion is uncertain, but which will assuredly destroy an industry which gives employment to from 15,000 to 20,000 people, and pays £33,000 per week in wages, is a very serious thing, and we should hesitate before we assent to it. Supposing we had an industry which did employ that number of persons, and it was proposed to destroy it, what would be said? We can remember that when the Tariff debate was in progress, and it was proposed to destroy an industry employing from twenty to thirty people, there was a tremendous outcry against such a proposal. At that time it was my privilege to sit with the honorable gentlemen opposite, who alone have the truth in them, as they always have when we sit together, and we heard the statement made, "Here we have an industry employing 1,000 or 1,500 people, and the whole community should be taxed to prevent it being destroyed." Here we have an industry that employs 20,000 people, and it is proposed to destroy it on the off-chance, not of exterminating the rabbits, but of materially diminishing their numbers. I say that to do that would be a crime—an economic and social crime, a crime against the community. What is the particular trouble which now concerns all Governments in the Commonwealth? Is it not the question of finding work for the unemployed? In New South Wales to-day the unemployed question is largely, though not completely solved owing to the existence of this rabbit industry. Lately I had an opportunity of seeing at first hand the extent to which this industry has gone. I have been through various towns in the country districts of New South Wales, where, had it not been for the rabbit industry, there would be very great distress. I venture to say that in those places an unemployed man is, comparatively speaking, a rarity.

Mr. LIDDELL. — Men cannot be got for work on the farms; they are all rabbiting.

Mr. HUGHES. — All I can say is that the immediate effect of the industry is to absorb a very large number of persons who would probably otherwise be unemployed. I was told by, perhaps, the largest storekeeper in the city of Bathurst, which is by no means in the centre of the

rabbit-infested district, that 500 persons are directly employed in the rabbit industry in and around the town, and that but for that fact things would be in a very bad way there, because of a partial drought from which the locality has suffered. Rabbit trapping is in full swing round towns like Dubbo, Wellington, Mudgee, Parkes, and Forbes, the trappers making £2, £3, £4, and often more a week. They are earning that money in destroying a pest for the destruction of which the pastoralists declare themselves prepared to spend a large sum of money in mere experiments, extending over a lengthy period of years. The rabbits are now being destroyed at the rate of 4,000,000 a week, and in rabbit trapping we have a certain and sure means, not of extermination, but of keeping down the pest, which gives employment to a large and increasing number of persons.

Mr. CONROY.—But how many men has the rabbit pest put out of work?

Mr. HUGHES.—Those engaged in the rabbit-trapping industry would be a burden on the community if they were not so employed, and yet it is calmly proposed to destroy that industry. Because it would be the easiest thing in the world to show that, by reason of the present proposal, the industry is trembling on the verge of absolute destruction. It must be admitted that, before the proposed experiments can be of any value, they must be conducted in the open air. The most careful laboratory experiments will not determine the effects of inoculation upon rabbits living in the open air, because the difference between the two sets of conditions would be as great as that between the condition of a patient lying on his back in a room maintained at a certain temperature, and his condition when on his feet and in the open. Even if it be demonstrated by laboratory experiments that the proposed inoculation can be made safely, we shall not know what would happen if inoculation took place in the open air.

Mr. CONROY.—That is why it is proposed to make such careful experiments.

Mr. HUGHES.—It is obviously better to have laboratory experiments upon scientific principles than to have no experiments at all. Although they may not demonstrate anything of industrial value, they will not work any particular harm to the community if certain safeguards are taken.

Mr. CONROY.—Is the honorable member aware that, if experiments had not been made upon animals, an anti-diphtheric serum would not have been discovered?

Mr. HUGHES.—That is an altogether different matter. If any one wished to disseminate a disease in Australia, he could not do it more effectively than by infecting rabbits with it, because they are to be found everywhere that there is grass or crops to eat.

Mr. CONROY.—What about the pleuro experiments? They were made by the class of men who now wish to experiment in the direction of rabbit destruction, and found a remedy for that disease.

Mr. HUGHES.—What about cancer, or *cacoches loquendi*? It is certain that experiments conducted within the four walls of a laboratory can prove only that, under the conditions under which they are carried out, certain results will follow. But before any knowledge of value can be obtained as to the result of action of the kind proposed, experiments must be made in the open air, and once rabbits living in the open air are inoculated, disease may be disseminated widespread, while, from that very moment, the destruction of our export rabbit trade will commence. If it be thought that any one in England would buy rabbits when it had become notorious that they were being destroyed by a disease of a wasting character similar to influenza, he altogether misapprehends the credulity of the English public.

Mr. JOSEPH COOK.—Even if the rabbits were destroyed by a safe method, the rabbit export trade would also be destroyed.

Mr. HUGHES.—If only 2 per cent. of the rabbits in Australia are destroyed by the proposed disease, none of the remaining 98 per cent. will be saleable in any of the markets of the world. If there were a chance that one rabbit in every 100 was infected with disease, would the honorable member eat rabbits? He, no doubt, has read of the Chicago meat scandals, and probably his reason convinces him that, in nine cases out of ten, it is perfectly safe to eat American meats; but I guarantee that he does not take any chances, and I am quite ready to buy as much potted American meat as he will eat.

Mr. JOSEPH COOK.—I am ready to buy and eat what meat I require.

Mr. HUGHES.—The American Beef Trust says that these scandals have meant a loss of £35,000,000 to America, and the

practical destruction of their trade, while, on the other hand, the Queensland Meat Export Company and other Australian meat works are reaping a golden harvest because of the exposure of the terrible methods of the Chicago packers. Similarly, directly it is known that Australian rabbits are being destroyed by a disease, no one will buy them. There are persons on the Continent of Europe who breed rabbits for the market—Ostend rabbits they are called. Will it not be to their interest to spread the news that Australian rabbits are being infected with disease, in order to destroy the Australian rabbit export trade? Would it not be easy to destroy the Australian butter export trade if it could be shown that the Australian dairies are infected with a disease which can be communicated to the consumers of Australian butter?

Mr. MCWILLIAMS.—Millions of rabbits are now poisoned every year.

Mr. HUGHES.—Would it not affect the Tasmanian apple trade if it could be said that diseased apples are being sent from Tasmania to England? The greatest precautions are now being taken to keep apples infected with comparatively harmless parasites from coming into this market. Not only the rabbit export trade, but the whole of our meat export trade, may be affected if it becomes known that Australian rabbits are being killed by the communication to them of an infectious disease.

Mr. LIDDELL.—The New Zealand trade will be affected too.

Mr. HUGHES.—The honorable member for Oxley sent Home a statement to the effect that the Immigration Restriction Act excludes, and was intended to exclude, white British subjects. That was published in the press, and the statement accepted by every person in the United Kingdom, and in other parts of the civilized world. Similarly, gentlemen who call themselves Australian citizens, have made other statements about the intentions of that Act, and of other Acts, and of the intentions of the Labour Party, and of other parties, which, having been accepted, have had the effect, so we are told, of seriously damaging our credit on the English money market. The circulation of contemptible and cowardly slanders of that sort has had the effect of depreciating our securities, so we are told, and of thus injuring Australia. Is it not then obvious that the circulation of the statement that Australian rabbits are being killed by the com-

munication to them of an infectious disease would ruin our rabbit industry, and affect our export trade in chilled and frozen mutton? If cablegrams were inserted in the Home press to-morrow to the effect that our rabbits have been infected with a communicable disease, that sheep have taken the disease, and that some of the carcasses sent Home are infected with it, would not that seriously injure, if it did not entirely kill, both our rabbit export and our meat export trade? Furthermore, if the proposed disease proves effective, the skins of the rabbits which die from it will be useless, because rabbit skins, to be of commercial value, must be the skins of good healthy rabbits. The skin of a rabbit which dies in a very short time from phosphorous poisoning is not injured; but it will take some days, and perhaps a fortnight or three weeks, for rabbits to die from the proposed disease, and, in that time, they will lose condition, so that their skins will become lustreless, dull, and thin, and altogether useless.

Mr. WILSON.—The same thing happens when rabbits become subject to chronic phosphorous poisoning. They fall away, and the skin becomes useless.

Mr. WATSON.—How long does that take?

Mr. WILSON.—Sometimes three weeks.

Mr. HUGHES.—If the honorable member swallowed as much phosphorous as is contained in the ordinary pellets of pollard sprinkled along the rabbit tracks of New South Wales, he would suffer, not from chronic phosphorous poisoning, but from a poisoning which would cause him in a very short space of time to lose all interest in human affairs. The rabbits in New South Wales do not suffer from chronic phosphorous poisoning; they have not time. I believe that in New South Wales and Victoria the hat industry is taking, and will take, all the rabbit skins that can be procured. I do not think any rational free-trader will object to that.

Mr. JOSEPH COOK.—Apparently, the honorable member thinks that the rabbits are a grand asset to Australia.

Mr. HUGHES.—The honorable member is very humorous.

Mr. JOSEPH COOK.—I do not pretend to be humorous.

Mr. HUGHES.—I wish to point out that there are very many unfortunate people in Sydney and elsewhere who would never be able to obtain flesh food if it were

not for the fact that rabbits are being sold at low prices. If the honorable member for Parramatta proposes to feed the unemployed of Sydney with rabbits that have died of the disease with which they are to be inoculated, he will soon be able to settle the unemployed question in much the same way that Dean Swift proposed to deal with another matter.

Mr. JOSEPH COOK.—Why does not the honorable and learned member talk sense?

Mr. HUGHES.—I recognise that this is not a matter for humorous treatment but for earnest consideration. The evidence given by the squatters before the Western Lands Commission was to the effect that rabbits could be kept down by the use of netting, by trapping, and by poisoning.

Mr. CAMERON.—That is absolutely absurd.

Mr. HUGHES.—There is proof that it can be done, and it ought to be done. The rabbits are now being destroyed by trappers, who are earning good wages, and in my opinion the pest can be kept down sufficiently by the present methods. At any rate, on the one hand, we have a certain remedy, which finds employment for a large number of men, whereas, on the other hand, we are offered an uncertain and dangerous remedy which, if it were successful, would destroy an industry that at present provides employment for 20,000 persons.

Mr. CAMERON.—At whose expense?

Mr. HUGHES.—I should not think that it was at the expense of the squatters of Tasmania.

Mr. CAMERON.—It is at their expense—in conjunction with others.

Mr. HUGHES.—That being so, the whole thing is settled. I venture to say that there are more rabbits on one run in New South Wales than in the whole of Tasmania.

Mr. CAMERON.—That is no reason why the squatters of Tasmania should not endeavour to destroy the rabbits upon their properties.

Mr. HUGHES.—I think it is altogether improper to suggest that the rabbit industry is kept up by contributions from the squatters of Tasmania. The interjections which have been made show conclusively where the shoe pinches. The squatter wants the rabbits killed—he wants to get rid of the pest. Is he paying too high a price for the destruction of rabbits? If he is, why does he not lower his price, or devise some other means? If he is not paying too high

a price, what is he complaining about? The squatters of New South Wales say that it does not matter what they pay—no price would be too high to pay for getting rid of the rabbits. Therefore, they surely cannot complain of the price they are now paying. The whole point is, however, that the squatters of New South Wales, and doubtless of Tasmania, find that men are not available for employment by them at 5s. or 10s. per week when they can make, say, £2 per week at trapping rabbits. Certainly that is an annoying circumstance. When I was travelling through New South Wales lately, I found that employers experienced difficulty in securing labour at 10s. per week, and had to give more. Of course, that is a serious matter; but I do not think that such a consideration weighs with the honorable and learned member for Werriwa, or the honorable member for Parramatta.

Mr. CONROY.—I regard it as a good thing that the rabbits have proved of some value.

Mr. HUGHES.—I do not think that the consideration to which I have referred actuates the honorable member for Wilmot. He would rather pay a decent price to the trappers if they could remove the pest.

Mr. CAMERON.—That is the point.

Mr. HUGHES.—He would prefer to do as I have described, rather than to enter upon a dubious experiment such as that now contemplated. From the stand-point of the honorable member, the whole question is, "Can the trappers remove the pest?" I say that the rabbits are now being got rid of at the rate of 4,000,000 per week.

Mr. WILSON.—And they are breeding at the rate of 5,000,000 per week.

Mr. HUGHES.—If the honorable member is an authority on rabbit breeding, I am not.

Mr. WILSON.—The rabbits cost me more in one week than they have cost the honorable and learned member during the whole of his life.

Mr. HUGHES.—I have no knowledge that rabbits are increasing at the rate of 5,000,000 per week. Whence did the honorable member derive his information?

Mr. WILSON.—My own common sense is sufficient.

Mr. HUGHES.—I believe that if men are given a sufficient incentive, they will destroy the rabbits, or, at any rate, keep down the pest to a convenient level.

Mr. WILSON.—Why have they not done so during the last thirty years?

Mr. KELLY.—Because they could not be expected to destroy their own industry.

Mr. HUGHES.—I merely wish to emphasize my argument that the proposed remedy is an uncertain one; that its application will have the effect of throwing out of employment some 15,000 or 20,000 men; that it will destroy the export trade in rabbits, and the export trade in skins also, because the skins will be practically valueless if the disease proves effective; that it may seriously affect the export of meat, and imperil the health of the stock of the country, and probably also the health of the people. Under these circumstances, the Federal Government ought to use every power at their command to confine the experiments to the laboratory. In my opinion, it will be found, after exhaustive experiments, that no safe method of outside experimentation can be ventured upon. The Federal Government should be represented in connexion with the experiments by a competent scientific man. If the New South Wales Government are not willing, at the conclusion of the experiments, or during their course, to take such steps as are considered necessary for the safety of the health of human beings, and the reputation of Australia, the Federal Government should exercise such power as is conferred upon it by the Constitution. Whether the Constitution confers sufficient power it is for the Attorney-General and the Government to say. Under sub-section 1 of section 51, power is given to regulate all matters connected with trade and commerce, but I shall not venture to say that such powers enable the Government to deal with this matter, even though it certainly affects trade and commerce. Under sub-section ix., the Government is empowered to take control of quarantine matters.

Sir WILLIAM LYNE.—I have given notice of a Bill, with that end in view, to-day.

Mr. HUGHES.—If the Government can bring such a measure into operation before the experiments pass beyond the laboratory stage, and beyond scientific control, they will be in a position to exercise the powers conferred under sub-section ix. Failing everything else, they may avail themselves of the powers which they are permitted to exercise under sub-section xxvii. It must not be forgotten that Dr. Danysz is an immigrant, and that he has introduced, or is about to introduce, certain undesirable things, and that possibly the powers conferred under the section I have mentioned

might be exercised. However, it is not for us to do more than call upon the Government to exercise every power at their command in dealing with this matter. In conclusion, I would say that the matter is one that, viewed from the health standpoint, or from the economic standpoint, is of very great importance. I admit that it is very important to the pastoralists of Australia that the rabbit pest should be dealt with, but it is also important to the whole of Australia to prevent the introduction of diseases that will imperil any considerable industry. It would, in my opinion, be a mistake to attempt to achieve an end by uncertain and dubious means whilst an effective, although, perhaps, not a complete remedy, lies at hand. I would suggest to those honorable members who may not see eye to eye with me, that the whole question depends upon one thing only. If it could be shown that the virus would exterminate the rabbits there would be an end to the question, because this country is too deeply committed to the wool and meat industry to allow anything to stand in its way. It has, however, been stated both by Dr. Danysz and Professor Anderson Stuart that the extermination of the rabbits is not to be hoped for, and that that, so far as science is concerned, is not possible. Under these circumstances, I contend that we should discourage the introduction of an uncertain remedy which would destroy an industry that, after all, is making the best of a bad job, and throw out of employment 15,000 or 20,000 men, precipitating upon the market a large number of unemployed at a time when we are unable to deal with those we have.

Sir WILLIAM LYNE (Hume—Minister of Trade and Customs) [3.57].—I wish to explain exactly what has been done in reference to this matter. When it was announced that Dr. Danysz was coming here, the matter was placed in my hands by the Prime Minister. I felt some difficulty in dealing with it, because, personally, I have a strong dislike to the idea of introducing any disease here, and I am fully aware of the ravages that have been committed by the rabbits in the past, and of the injury that they will inflict in the future if they are not checked. I adopted the course which I thought was best for all concerned. Having been intimately connected with Dr. Tidswell during the first plague outbreak in Sydney, I asked the New South Wales Government

to allow him to come to Melbourne, in order that he might meet Dr. Danysz, and form an opinion as to the nature of the proposed remedy, and the prospects of its success, and act for the Federal Government. Dr. Tidswell came to Melbourne, and had an interview with Dr. Danysz, and made a report, upon which I have since acted. I have the report here. It is a report, I think, that should cause honorable members to reflect before hastily sanctioning the introduction of a disease of which we know but little. In that report, which there is no necessity for me to read, because it is available to honorable members if they desire to peruse it, Dr. Tidswell states that a *confrère* of Dr. Danysz—I refer to M. Chamberland—disagrees with the statement of Dr. Danysz, that this disease cannot be conveyed to other animals.

Mr. KELLY.—He does not mention that this particular microbe cannot be communicated. He says that the whole family of microbes are alike.

Sir WILLIAM LYNE.—I do not wish to enter into details connected with bacteriology, although I confess that I have learnt a great deal from Dr. Tidswell in reference to this particular pasteurilla family. He says that it is practically the same microbe, but fostered in a different way, that produces swine fever, chicken cholera, and appears in several other forms. He declares that it may be conveyed to other animals besides rabbits.

Mr. KELLY.—He also says that there is no need to apprehend disastrous consequences from its introduction.

Sir WILLIAM LYNE.—The point which appealed to me most was that a *confrère* of Dr. Danysz—a member of the Pasteur Institute—says the opposite of Dr. Danysz. In such circumstances, it is necessary for the Government to be exceedingly cautious as to what course they shall pursue.

Mr. WILKS.—Has the Minister obtained expert advice?

Sir WILLIAM LYNE.—I am acting upon the advice of Dr. Tidswell.

Mr. JOSEPH COOK.—Does the Minister intend to follow it throughout?

Sir WILLIAM LYNE.—Yes, absolutely.

Mr. WILSON.—But Dr. Danysz, in making his first application, safeguarded himself against the dangers to which the Minister refers.

Sir WILLIAM LYNE.—He says that he did, but I do not think that we should

accept his mere assurance. He might conceivably make a mistake. I wish honorable members to understand that I am not speaking either for or against the destruction of the rabbit. I know what the rabbit is perfectly well, and I am thoroughly familiar with the troubles to which its presence gives rise. I am aware that in some parts of the country, which are closely settled, the rabbit is not much to be feared. Indeed, some of my own constituents do not desire to see it destroyed. In the mountainous portions of the country, it is difficult to destroy it, and on the plains its destruction would involve the expenditure of a good deal of money. Acting upon the advice of the Attorney-General, a proclamation has been issued by the Government. As a matter of fact, that proclamation was drafted by him. The clauses to which the honorable and learned member for West Sydney has referred, were considered by the Government, in conjunction with the preparation of that proclamation. In my opinion, there is but little doubt that the Commonwealth Government have power to deal with this matter, so long as they retain the microbe germs in their own hands. But when once they allow them to pass into the hands of any State, it is very doubtful whether power will continue to vest in them. I instructed the Collector of Customs at Sydney to meet Dr. Danysz upon his arrival there, to take possession of the microbes under seal, and to hand them over to Dr. Tidswell in his laboratory. Dr. Tidswell, is acting not on behalf of the State of New South Wales in this matter, but on behalf of the Federal Government, and, therefore, the microbes are absolutely under the direction of the Federal authorities. We do not intend to allow them to be taken out of the laboratory.

Mr. JOSEPH COOK.—Nobody has ever suggested that they should be taken out of the laboratory.

Sir WILLIAM LYNE.—I am inclined to think that there was a slight misunderstanding in the mind of the honorable and learned member for West Sydney upon that point, because he spoke of the doubt which, he said, existed, as to whether the Commonwealth Government has power to act. According to the Attorney-General we have that power, and we are acting accordingly. We do not intend to allow the microbes to pass out of our power, lest we might lose control of them. At the present time they

are in the hands of an officer who represents the Commonwealth Government.

Mr. WILSON.—Does the Minister intend to allow laboratory experiments to be conducted?

Sir WILLIAM LYNE.—If the resolution be carried, even in its present form, "Yes." Those experiments, however, will be under the direct supervision of Dr. Tidswell.

Mr. DUGALD THOMSON. — The motion, if carried, will prevent anything beyond laboratory experiments being undertaken.

Sir WILLIAM LYNE.—I was coming to that point. What is the object of having experiments conducted in a laboratory unless we are prepared — assuming that they result satisfactorily—to go further? I would suggest to the honorable and learned member for West Sydney that he might add to his motion words which—if honorable members do not desire to leave the matter absolutely in the hands of the Government—will have the effect of leaving it in their hands if Parliament be not sitting. Should Parliament be sitting it would then be in a position to decide the matter itself.

Mr. HENRY WILLIS.—Why should not the Government accept the responsibility of taking action?

Sir WILLIAM LYNE.—I am quite prepared to accept that responsibility if Parliament will give me the power to do so. I am merely throwing out a suggestion that an addition might be made to the motion so that should it be demonstrated that the microbes are not a source of danger to animal life other than rabbits, we need not stop at experiments in a laboratory. If any further action is taken it is intended to conduct experiments upon Broughton Island. I regret very much that the New South Wales Government did not select an island which was further distant from the mainland. It has been stated that Broughton Island is six or seven miles from the coast. I have been fishing in its vicinity often enough, and I know that it is only about a mile from the coast.

Mr. HUGHES.—What about Lord Howe Island?

Sir WILLIAM LYNE. — What would the settlers of that island say if the experiments were conducted there?

Mr. HUGHES.—The rabbits can almost swim from the mainland to Broughton Island.

Sir WILLIAM LYNE.—The other day when I was asked the distance between the mainland and Broughton Island, I said that it could not be more than a mile, or a mile and a half. Since then I have taken the trouble to ascertain the precise distance, and I find that it is about a mile from the island to the first rocks on the coast, and a mile and a-half to the coast proper. In my judgment, the motion, in its present form, is too conclusive. I give the House the assurance that the Government will not relinquish possession of the microbes until we are absolutely satisfied, acting on the advice of Dr. Tidswell, that their dissemination will not be fraught with harm to the community. Should that officer desire that we should get further advice we shall secure it.

Mr. DUGALD THOMSON.—What power has the Commonwealth to prevent Dr. Danysz from experimenting in a State, and propagating these microbes?

Sir WILLIAM LYNE.—The Commonwealth Government has no power, if Dr. Danysz once gets away with the microbes.

Mr. JOSEPH COOK.—Suppose he propagates the pasteurella within a State?

Sir WILLIAM LYNE.—If he has not the microbes, how can he do that? I am speaking of this matter purely from a practical stand-point. The Government can only do their best, and they are doing their best in the interests of the country. As far as New South Wales is concerned, that State can deal with this matter only after it gets control of it. If we once relinquish our power I do not know that we can subsequently step in and interfere. The proposed experiments, however, will extend over a pretty long period before New South Wales will allow the microbes to be broadcasted. After the proclamation has been issued by the Minister, it has to lay upon the table of the New South Wales Parliament for thirty days before it can take effect. Everything, therefore, is pretty secure. In conclusion, I would again suggest to the honorable and learned member for West Sydney that he should add some words to his motion such as I have indicated, in order that we may go further should it be found that the microbes are not injurious to human or animal life other than rabbits.

Mr. DUGALD THOMSON (North Sydney) [4.10].—I quite appreciate the serious results which may follow the introduction of disease of any kind

into the Commonwealth; but I also recognise the serious nature of the rabbit pest throughout Australia in connexion with the pastoral and agricultural industries. In addition to the injury which might be wrought by the introduction of any disease if it passed from the rabbits to other animals, there is the further objection that it is very repugnant for us to do anything which is calculated to destroy enormous quantities of animal life. But in the case of rabbits the destruction is already going on. The effort is to kill them, generally by poisoning.

Mr. WATSON.—In rather a painful way, I think, so far as poisoning is concerned.

Mr. DUGALD THOMSON.—Yes, the method of destruction by poisoning is cruel. In some portions of the Commonwealth, nevertheless, there seems to be no hope for our agricultural and pastoral industries if the rabbits are allowed to increase and multiply without being kept in check by poisoning or disease. That being so, we have to face the situation as it stands, and, whilst exercising every care to prevent the introduction of a disease that is communicable to other animals or to man, we have also to be cautious, lest in excluding from our midst any destructive microbes we deprive our pastoralists and agriculturists of their one hope, so far as large areas of our country are concerned. Then we must remember that the Commonwealth power is very restricted. For example, we as a Commonwealth may possess certain power which the Minister of Trade and Customs claims, but if any scientist chooses to develop particular microbes in a State our power will be gone.

Mr. WATSON.—Suppose the microbes to be carried over the borders of any State.

Mr. DUGALD THOMSON.—The rabbits would do that, I suppose. I repeat that in such circumstances our power would be gone. Further, it is almost impossible to keep out the virus of the disease which Dr. Danysz wishes to introduce, because any one who chose to do so could conceal a phial containing it in his pocket. Consequently, if danger is to be prevented, there must be not only Commonwealth, but State action. The Government of New South Wales, where the proposed experiments are to be conducted, consider that they are taking sufficient precautions to avert all danger to human life or to animal life apart from rabbits. Whilst I do not object to the Minister insisting that, in the first instance,

the experiments shall be confined to the laboratory, I do not think that this motion should be carried, because it implies that only laboratory experiments shall be undertaken. If, after due precautions have been observed, it is proved to the satisfaction of scientists—and it is only scientists who can decide this question—that the disease which Dr. Danysz desires to propagate is not likely to prove injurious to other forms of life in Australia whilst it will be efficacious in destroying the rabbits, we should allow further experiments to be made outside of a laboratory. I certainly admit that I have not too much hope of the results. I fear that, in view of the large area over which the pest is spread, and the nature of our climate, it will be very difficult to propagate a disease that will seriously reduce the number of rabbits in Australia.

Mr. WATSON. — In his letter of a few months ago, Dr. Danysz himself was not at all hopeful on the subject.

Mr. DUGALD THOMSON.—The importance of the destruction of the pest is so great that it is desirable that we should not restrict any experiment, so long as we get the strongest assurances that no danger will accompany it. The honorable and learned member for West Sydney who has moved this motion evidently wishes to go much further than its terms indicate. He wishes to prevent any interference with what he describes as a large industry. We are agreed that a great many men are supporting themselves by the killing of rabbits. No one desires to see men thrown out of employment; if it be such as is good and helpful for the country. That can hardly be called a satisfactory industry which is dependent upon the existence of a pest. It would be infinitely better for the Commonwealth, and, in the long run, even for those engaged in the rabbit-killing industry, if we could entirely exterminate the pest. The honorable and learned member for West Sydney says that laboratory experiments cannot prove that there would not be danger resulting from more extended experiments. The honorable and learned gentleman went on further to say that in any circumstances he is absolutely against experiments outside the laboratory, in the interior of a State. From these statements it is perfectly evident that he wishes no interference with this industry, as he calls it, but which I think can hardly be so described, and yet

it can only exist and flourish if a large portion of New South Wales and of other States is abandoned to the rabbits. The effect of that abandonment would be that rabbits would become so plentiful, and the supply sent to foreign markets so enormous that the demand could not absorb it, and there must be a heavy drop in the prices now paid for rabbits and for rabbit skins. That is inevitable. It would then cease to pay even the rabbiters, and the industry which had been there, and which the rabbit industry had replaced, would not remain to provide employment for those now engaged in rabbiting. I have lately been in some of the rabbit-infested districts, where men are making excellent wages from rabbit catching, though I wish those wages were derived from a more productive occupation. As a result of all the work being done in connexion with this so-called industry, there is no sign of a decrease in the number of rabbits, except on a few holdings, and for a short time. On holdings on which rabbiters are not at present operating, the rabbits go on increasing at a rate that seems equal to the rate of destruction on other holdings. Honorable members will understand that it pays rabbiters well to destroy rabbits on holdings where they are numerous, and where they can secure very great numbers; but when the number secured is reduced, though there may still be large numbers remaining on the holding, the rabbiters naturally pass on to other places, where the pest is more plentiful.

Mr. CAMERON.—And those left breed up again.

Mr. DUGALD THOMSON.—Of course breeding goes on amongst those that are left, and in dry seasons the grass required for sheep is reduced so very considerably that it is a question in some places whether the sheep-growing industry can long be continued. Those in occupation of small holdings also suffer greatly from the rabbit pest. It must be remembered that against the amount of money derived from the export of rabbits we must put the enormous outlay on wire netting by sheep-growers, small and large, and by pastoralists generally.

Mr. WILKS.—And the amount of bonuses paid by the Government for rabbit destruction.

Mr. DUGALD THOMSON.—No one can reckon the total cost of the wire netting which has been erected, but it must have

cost an enormous sum. This must be set against any profits derived from the rabbit-killing industry. But above that there is the reduction in the carrying capacity of the country, and the loss to settlers by the raids of the rabbits on their crops. The evil is becoming so serious that every effort ought to be made to exterminate it, unless we are going to turn portions of the country into rabbit warrens, and go in for the export of rabbits, and their products, instead of the products of sheep-growing. I have already pointed out that were we to do that, owing to the enormous increase in the numbers of rabbits exported, the value of rabbits and rabbit skins would be so reduced that the industry would cease to be a paying one. The Minister might be expected to, and I am sure he would, take every precaution in connexion with these experiments, and we should leave the matter in his hands. There is, in my opinion, not nearly so much danger to be expected from that as there is from permitting Dr. Danysz or any other scientist to develop the microbe within a State. That can be done, and we are unable to interfere.

Mr. FRAZER.—If the matter were sufficiently serious we could block him under the Immigration Restriction Act.

Mr. DUGALD THOMSON.—But he is here already, and he, and other scientists under his instructions, can carry on the development of the virus in any State. Honorable members must know that we cannot keep it out, because it could be brought into Australia in a small tube which any one might put in his pocket. Remembering that there are so many loopholes by which this virus might be introduced, I believe that it is not right to attempt to tie the hands of the Government in the matter by a motion such as this, which practically says that there shall be no result from any experiment made, since it would limit the experiments to the laboratory, and would give no authority for carrying it beyond, the mover of the motion stating that the experiment will be useless if it is confined to the laboratory. Surely we are not going to put ourselves into so false a position? Agreeing as I do as to the necessity for caution and care, and regretting as I do the many evil things which have been unnecessarily introduced into Australia, and with one of which we are now trying to deal, I still think that this matter would be better left to the Minister.

who will be actuated by a sufficient sense of responsibility. In any case, we should not pass a motion of this kind, which means that there shall be no experiment beyond the laboratory, and that the whole of the labours of the men engaged in this matter, and the expenditure in connexion with it will be rendered useless to the community. If there is to be a motion carried on the subject it should provide that the experiment should not take place beyond the laboratory until such times as scientific men appointed by the Commonwealth and States Governments are agreed that it would be harmless to extend it. The honorable and learned member for West Sydney supplies me with a proposed addendum to his motion.

Mr. HUGHES.—I think that the amendment I suggest will meet the honorable gentleman's objections to the motion.

Mr. DUGALD THOMSON.—I have just said that I think the matter can be safely left in the hands of the Government. They are fully alive to the danger, and I am sure are desirous of protecting the country from any liability to injury from the introduction of a serious plague. The honorable and learned gentleman suggests the addition of the words—

Until such time as Parliament is satisfied, or the Government, if Parliament is not in session, that outside experiments will be harmless.

I would prefer it to say, "Until such time as the Government are satisfied that outside experiments will be harmless." Parliament could then interfere at any time if it were thought that the Government were acting without sufficient grounds for believing that the virus would be harmless. The honorable and learned member is aware that the Minister is at one with him as to the necessity for caution. I agree with both that the laboratory stage should precede the outside stage of the experiment, but I would not favour any motion which, if the test had passed the laboratory stage, would prevent a further test in the larger field where the actual operations would have to be carried on if the introduction of the disease is to be successful for the purpose desired. I have pointed out that after all our power is very limited, and scientists in any of the States may experiment if they choose to do so. As a matter of fact, in the laboratories of the States at the present time, I believe, there are, if we may so describe them, uncontrolled microbes of a variety of descriptions—uncontrolled by

Governments, that is—which have been experimented with in connexion with disease in our own species.

Mr. HUGHES.—I trust that the honorable member is misinformed.

Mr. DUGALD THOMSON.—I know that microbes have been experimented with here, and I feel certain that these microbes are still in some of the laboratories. I do not say that Dr. Danysz's microbe has been experimented with, though that is quite possible; but I believe there are in our laboratories microbes which may be as dangerous, or more dangerous. Therefore, I think that we should request only that precautions will be taken to insure experiment within the laboratory before the microbe is tested abroad, and, if properly appointed scientists approve of an open-air experiment, we should not pass a resolution prohibiting something being done to get rid of, or reduce, this terrible pest.

Mr. CONROY (Werriwa) [4.33].—After hearing what the Minister of Trade and Customs has said, I feel that there is a chance of the proposed experiments being carried out. I do not intend to discuss the matter from a scientific point of view, by debating whether the use of this or that form of bacteria would or would not be inimical to the best interests of the country; I merely wish to point out that in New South Wales something like £750,000 has been spent by the Government of the State in trying—unsuccessfully—to get rid of the rabbits, while probably ten times as much has been spent during the last ten years by private individuals, and the total loss to the community entailed by the pest is almost immeasurable. Eighteen or nineteen years ago, before the rabbits became so plentiful, the New South Wales Government received over £250,000 a year in rent from the Crown lands in its possession, but, because of the damage wrought by the rabbits, it now receives only £70,000 a year, in spite of the fact that settlement has taken place which would otherwise have made the land more valuable, and should have nearly doubled its rental.

Mr. FRAZER.—Rabbits breed more freely on the Crown lands of New South Wales than they do on the privately held lands.

Mr. CONROY.—No doubt; but it is impossible to destroy them on the Crown lands. We are told that the rabbit industry brings in about £500,000 a year to those concerned in it; but, even if that be true, the amount so earned does not make

up for the loss which the State Government of New South Wales alone has suffered, to say nothing of the expense to which private individuals have been put. I rent a farm in one of the settled districts of New South Wales, and the farmer next to me, whom I will call C, rents another 120 acres, which, two years ago, kept him and his two sons in comfort. But, as the landlord would not wire-net the place, this man lost two crops last year, and told me he was going to give up the farm, because the rabbits were too much for him, although three years ago they were hardly ever seen in the district. Another man there, whom I will call T, and who, like C, was engaged in dairying, finds himself unable to grow food for his cows. C's two sons have had to start rabbiting, and T tells me that he is practically in the same position as C. Then, whereas I had five men engaged in farm work on my own holding, I have now only one man so engaged, because my landlord will not wire-net the place, and the rabbits are too numerous for me to cope with. If any one doubts my statement, my books are open for his inspection. Thus, within a mile of my house, eight men have been thrown out of employment by the rabbit pest. It may, perhaps, be fortunate that rabbit skins and carcasses have some value, and that the cost of reducing the pest has been somewhat lowered for this reason.

Mr. KENNEDY.—But, still, how great is the loss to the farmers!

Mr. CONROY.—The loss to the farmers is such as no one not engaged in farming can estimate. Then, at Cowra, where last year I had 200 acres under wheat, we took a crop off only forty acres, and this year I would not put on men because I felt sure that I would lose my wheat again, and the expense of wire-netting the place has hitherto been too heavy for me to undertake. But for the rabbits, three or four men would have been engaged in farming that land. In the same district, a man, whom I will call R., who holds 600 acres, put about 150 acres under crop, and harvested from only 25 acres. Then a man named H., holding 220 acres, has not put a single acre under wheat, because he thinks it useless to do so, after the experience of his neighbours, until he has wire-netted his holding, and I am joining with him in wire-netting. Thus, where there should be a number of men employed in agriculture, there are only a

few rabbiters, who, instead of being engaged in adding to the wealth of the country, are only destroying a pest, and earning money which would be better spent in reproductive investments. The drought of 1902 would not have been so destructive as it was if it had not been for the rabbits. Dry as the year was, I think that the bulk of the stock would have managed to get through if it had not been for the rabbits.

Mr. DAVID THOMSON.—That was not so in Queensland.

Mr. CONROY. — My remark may not apply to Queensland altogether, but in many districts there would have been enough grass—dry and inferior though it would have been—to enable most of the stock to weather the drought. Some people are rejoicing because the rabbit pest has given them access to land which they could not otherwise have obtained, but the distribution of wealth is not involved in this discussion. It is obvious that the production of wealth is being hampered by the rabbit pest, the loss to individuals being enormous, notwithstanding that a certain value attaches to the rabbit industry. But if the value is put against the loss done to the pastoral and agricultural industries by the rabbits, the case for the rabbiters is not arguable. If the 120 acres of land belonging to C. were wire-netted, and used solely for breeding rabbits, he could not get a living from his farm during more than three weeks a year, or say one week every four months. The profitable occupation of land is the main source of the production of national wealth, and whether Parliaments like it or not, experiments will be made by land-holders for the destruction of rabbits. Men will not sit down and allow themselves to be ruined if they can prevent it, and, as experiments for the destruction of rabbits will be made in any case, it is better that they should be made under Government supervision than without proper safeguard. Do not honorable members know that various forms of disease have already been introduced among the rabbits? One or two forms of contagious disease, which are certainly communicable to mankind, are not communicable to the rabbit, and it is reasonable to assume that diseases which are communicable to rabbits may not be communicable to mankind. If it had not been for the work done by the members of the Pasteur Institute, we should never have been able to inoculate our cattle to

protect them against the ravages of pleuro, and our losses might have been as great as those which were inflicted upon Poland and Russia before Pasteur went there.

Mr. HUGHES.—But it is now proposed to introduce a new disease to destroy life, instead of saving it.

Mr. CONROY.—If it had not been for the experiments conducted by Pasteur at the cost of a considerable amount of animal life, he would never have enabled us to save our flocks and herds. Before Pasteur was able to produce a serum suitable for inoculation against pleuro, he had to communicate the disease to hundreds of forms of animals. These would certainly be under supervision, but it would be ridiculous to say that they were in his laboratory. The diphtheria anti-toxin would never have been produced if disease had not been communicated by Pasteur to horses and other animals. We know of the thousands of lives that have been saved by treatment with diphtheria anti-toxin. The death rate from diphtheria has been reduced from 70 or 80 per cent. to 17 or 18 per cent. Experiments have been made by Pasteur in the course of which he has communicated disease to hundreds and thousands of animals.

Mr. HUGHES.—But he did not turn them loose.

Mr. CONROY.—Nor is it intended to turn them loose here.

Mr. HUGHES.—But they will get loose.

Mr. CONROY.—No more than they got loose in France, Germany, or Russia.

Mr. HUGHES.—But the experiments were conducted in the cases referred to with a view to saving life, whereas it is now proposed to destroy life.

Mr. CONROY.—If the experiments are successful, will not the destruction of the rabbits result in saving the lives of millions of sheep? The honorable and learned member says that we should not permit the introduction of any form of microbe that may be injurious to animal life. The same line of reasoning might have been pursued in opposition to many of the experiments which were carried on by Pasteur, and which have resulted in such great benefit to humanity. The honorable and learned member also said that Pasteur's experiments were conducted for a good purpose, whereas it was now proposed to introduce disease for a bad purpose.

Mr. HUGHES.—I did not say that. I was drawing a distinction between beneficent and injurious microbes.

Mr. CONROY.—But the honorable and learned member must recognise that it was only by experiments, in the course of which much animal life was destroyed, that certain microbes were rendered beneficent. We must recognise that the rabbits have cost the country an enormous sum of money, and that if we can bring about a cheaper form of destruction than that now followed, we should adopt it. It is not for us, as unscientific men, to say what is or is not dangerous, because that is a matter outside our province.

Mr. HUGHES. — On which side is the weight of scientific authority to-day?

Mr. CONROY. — At present scientific authority says nothing. Scientific men are very careful. They say, "We have no data to guide us, and therefore we are unable to pronounce an opinion with regard to a matter which has not been the subject of experiment."

Mr. HUGHES. — What does Professor Anderson Stuart say?

Mr. CONROY.—He says that very great care should be exercised in the introduction of any fresh microbes into the country. Of course, we are all fully aware of that.

Mr. KENNEDY.—Is it certain that the microbe which is to be made the subject of experiment is not already in the rabbit in Australia?

Mr. CONROY.—We are told that it already exists in Canada, and possibly here also. It is now proposed to cultivate the microbes, and make them more virulent. Whilst we are talking about the danger of destroying rabbits by means of microbes, the people of the outside world who consume our rabbits are running a far greater risk of poisoning. The danger in the case of phosphorus is avoided by the removal of the entrails, but arsenic and strychnine, which are coming into more general use for rabbit destruction, are particularly dangerous. Moreover, the poisons which are now being used to get rid of the rabbits are very destructive of bird life, and I am afraid that serious results to our farmers will follow, because many insect pests are now flourishing to an extent that they have not hitherto done. It would be infinitely better if we could devise some means of destroying the rabbits that would not be attended with fatal results to our insect-eating birds.

Mr. HUGHES.—Why not adopt trapping and netting?

Mr. CONROY.—Because those means are not sufficient. The honorable and learned member has a small farm, and the rabbits are moving down towards him. He will probably have a very painful experience within a short time, because the rabbits are already within twenty-five miles of his property. I fear that serious results will follow the present destruction of birds by poison. Insect life may increase to such a degree that all our crops will be destroyed. Where the crop grows, various forms of insect life may destroy the whole of the results of the farmer's work. In my opinion that is one of the contingencies that we shall probably have to face within the next half dozen years. When we come to weigh the *pros* and *cons* of this question we must inevitably see that for us to pronounce judgment upon it without entering into an examination of all the facts would be unworthy of any intelligent body of men. In one State alone we know that the decrease in the carrying capacity of the country, owing to the ravages of rabbits, has been estimated at from £8,000,000 to £10,000,000 per annum. From that stand-point it would pay us to give every individual engaged in the rabbit industry a bonus of £10 per week to remain idle if we could absolutely rid ourselves of the pest. In my opinion this motion goes much too far. It objects to the proposed experiments, because they "may prove inimical to animal life." I maintain that experiments, to be of any use, must be conducted outside the laboratory. I would further point out that the microbes with which Dr. Danysz wishes to experiment can easily be introduced in another form, and cultivated here, so that by taking the action suggested by the honorable and learned member for West Sydney we shall be merely depriving ourselves of the services of a skilled bacteriologist.

Mr. FRAZER.—Does the honorable and learned member think that the pastoralists would endeavour to defeat the intentions of Parliament in that direction?

Mr. CONROY.—I am sure that I would. Does the honorable member suggest for a moment that I care twopence for a resolution of this Parliament if it is in defiance of what I conceive to be right?

Mr. FRAZER.—The honorable and learned member is an anarchist.

Mr. CONROY.—I am when I reflect upon some of the doings of this Parliament. I think that any well-directed explosion amongst the members of this House, even if it worked injury to myself, would do more good than harm. We meet so frequently that apparently we have nothing to do but to be meddlesome. If we proceed to extremes in this matter we shall arouse a large body of public opinion against us on the part of men who are now suffering so keenly from the rabbit pest that they will, if necessary, carry on the work of its destruction by means of disease, secretly. It is only seventeen or eighteen years ago that the New South Wales Government absolutely offered a reward of £25,000 for the discovery of a means for the eradication of the rabbits. The science of bacteriology has advanced so much during the past fifteen or sixteen years that its future can scarcely be calculated. It is true that all the great principles in connexion with that science have been enunciated since 1856. The work of development, however, has progressed slowly, and it is only within the past fifteen years that any considerable strides have been made. I feel very strongly upon this matter. I am extremely thankful that rabbits and rabbit skins are realizing their present high price, because that induces men to aid in the destruction of the pest without being paid to do so. If, under proper safeguards, it is found that anything can be done to mitigate the curse of the rabbit, I shall be delighted indeed. But, after all, the public health should be our first consideration.

Mr. SKENE.—How far is Broughton Island from the coast of New South Wales?

Mr. CONROY.—About a couple of miles.

Mr. SKENE.—Complete experiments cannot be carried out in a laboratory.

Mr. CONROY.—Certainly not. The rabbits will require to be under close observation, and will need to be handled every three or four hours. It is idle to suggest that they might swim from Broughton Island to the mainland.

Mr. WILKS.—But a bird might carry the germs of the disease.

Mr. CONROY.—If the germs were destructive the bird would drop dead before it reached the mainland.

Mr. SPENCE.—A bird would carry a rabbit that distance.

Mr. CONROY.—It is necessary that the rabbits shall be kept under the closest observation. There must be no chance of escape for them. If honorable members are familiar with the work which has been carried on by the Pasteur Institute in France, they will know that the dreaded disease of hydrophobia can absolutely be cured in all cases in which the serum is introduced at a sufficiently early stage. But before that discovery was made, an enormous quantity of work had to be undertaken by way of experiment. If the honorable and learned member for West Sydney intends that the proposed experiments in New South Wales should be confined to the four walls of a room—

Mr. FRAZER.—The term "laboratory" is a well-defined one.

Mr. CONROY.—It was a well-defined term at one time, but it is not so to-day. In conducting experiments upon animals, it is necessary that they shall be kept under close observation, but it is not necessary that they shall be confined to the four walls of a room, in which the scientist is perhaps preparing his microscopic slides and cultivating the particular form of bacteria which he wishes to introduce into some other animal. I altogether object to the form in which this motion has been brought forward. Had it merely expressed the advisability of Parliament appointing some officer like Dr. Tidswell, in conjunction with others, to see that we incurred no risk of introducing some fresh disease as the result of the projected experiments, it might be worthy of serious consideration. But we are merely asked to allow experiments to be conducted by scientific men, who are not likely to sacrifice their reputation for any pittance that they may receive from us. What to them is the approbation of the public? When I see a scientific man striving to win public applause I know that he is not imbued with that love of truth and the spirit of inquiry which alone make the scientific life worth pursuing. He does not understand that to ascertain facts is of much more importance than the consideration of whether or not the truth will please the public. To a man imbued with the proper scientific spirit no reward can be offered which is so dear to him as is the approbation of his brother scientists when he is successful.

Mr. CAMERON (Wilmot) [5.12].—As a general rule I listen with great pleasure to the remarks of the honorable and learned member for West Sydney. Upon this occasion, however, I disagree with the action that he proposes we should take in regard to the destruction of rabbits in Australia. I was a little bit hurt at the sneering observation which he made towards the close of his address in regard to Tasmania. Let me tell him that I am no more responsible for the smallness of that State than he is for the extent of New South Wales or Queensland, and it is deeply to be regretted that any honorable member should introduce into his speeches references which are calculated to engender unpleasantness between the representatives of the different States.

Mr. WILSON.—He was not serious.

Mr. CAMERON.—That does not matter. The sting was present in his remark, irrespective of whether or not he intended it. The question of rabbit destruction has been before the people of Australia for a very long time. At various periods the different States have offered rewards for any disease which would effectually combat the rabbit plague, but up to the present, success has not attended their efforts. As honorable members are aware, the Pastoralists' Association of New South Wales has expended a very large sum in inducing Dr. Danysz to come to Australia to pursue his researches here. From the moment it was known that negotiations with him had been completed a howl was raised in the various capitals throughout the Commonwealth by persons who are interested in preserving rabbits for export, and also by those who are engaged in securing their skins. Any man who has devoted any attention to the subject, must be aware that the rabbit industry is a parasite industry, existing at the expense of industries already established amongst us. If there were no rabbits in Australia, the output of wool, frozen meat, corn, and various other produce, would be enormously increased. The presence of rabbits in the country has been for many years, and still is, a standing menace to the prosperity of Australia. While I should be prepared to prevent the introduction of any disease which might affect human beings or domestic animals, it seems to me that when we have this rabbit pest in Australia, it is our duty to try to find some means of exterminating it as speedily as possible. It must not be forgotten that

Dr. Danysz is a member of the Pasteur Institute, and has already done yeoman service for France. He is the man who only a few years ago cultivated a microbe by which, in the course of a very short time, he succeeded in destroying a plague of mice and rats which were practically eating out the farmers in the large district of which Marseilles may be described as the centre, and which threatened to overrun the whole country. This was accomplished without any harm being done to human beings, or to any animals other than mice and rats. Having regard to the character of the man, and his ability, is it likely that he would recklessly attempt to spread a plague abroad amongst rabbits in Australia which would not be confined to them, but which would destroy other animals, and perhaps human beings as well? It is hardly likely that he would do anything of the kind. For the reasons I have given, I cannot support the motion, which I look upon as neither more nor less than an electioneering move, an attempt to pander to the large vote controlled by those at present engaged in catching rabbits for the sake of their skins, and in the export of rabbits.

Mr. FRAZER.—How many rabbiters are there in West Sydney? How can the honorable member's suggestion apply to that constituency?

Mr. CAMERON.—The ramifications of the Labour Party are very wide spread. The rabbiters may be affiliated with labourers in the West Sydney electorate, for all I know to the contrary. Even supposing they are not, we are aware that in Sydney, and also in Melbourne, there are large numbers of persons engaged in connexion with the factories established for the freezing of rabbits for export. As the honorable member asks me for motives, it may be quite possible to trace, in the agitation which has sprung up so quickly against Dr. Danysz's proposed experiments, a connexion between the establishments in the cities referred to and the rabbit trappers. I have no doubt that this motion was moved for a purpose.

Mr. KELLY.—Shippers in the West Sydney electorate will be affected.

Mr. CAMERON.—Undoubtedly.

Mr. FRAZER.—Is the honorable member judging the matter by the standard of the pastoralists?

Mr. CAMERON.—I believe that the pastoralists are actuated by a desire to destroy the rabbits. It is human nature to

desire to make the best of one's land, and when we find, as I have found, that year after year, in spite of trapping, poisoning, and the erection of wire netting, rabbits continue to increase, or at least that their numbers are not diminished, we are surely entitled to welcome Dr. Danysz, or Dr. anybody else, who is able to provide us with a means, not prejudicial to human life or domestic animals, by which we may rid ourselves of a pest which is as great an incubus to us as the Old Man of the Sea was to Sinbad the Sailor. I have tried every means to destroy rabbits without being able to get rid of them. If those who are taking the side of the rabbiters in this matter could assure us that they will carry on their operations, not only in winter, when the pelts and carcases are valuable for export, but in summer, when they are not so valuable, putting the high prices obtainable in the one season against the low prices obtained in the other, I might be prepared to agree with them. Every owner of land knows that the trappers carry on their operations only when the prices of skins are high, and the carcases of rabbits are valuable. At other seasons the owners of land must pay so much a dozen for the killing of rabbits. I ask honorable members to remember that the owner gets no return. While it might be said that his grass is saved, that argument would be good only if he got rid of the rabbits. He cannot get rid of the rabbits, because, unfortunately, in Tasmania, and no doubt the same thing applies in other States, there are enormous areas of Crown lands of an inferior description unfitted for agriculture or grazing, but well fitted for the breeding of rabbits; and when the trapper ceases trapping for a short time, because he has got the numbers down, and complains that he cannot make a living at trapping, the rabbits from the poor Crown lands enter upon the lands of the pastoralist. It may be said that that can be prevented by wire netting, but my experience is that rabbits will climb over a 3 ft. 6 in. net with very little trouble. If it is found that they cannot climb over the netting the trappers assist them by cutting holes in it. That has been my experience, and I have no doubt it is also the experience of very many others who have erected wire netting. I suggest to the honorable and learned member for West Sydney that he should accept the very

reasonable proposal of the Government, and leave the matter in their hands. So far from throwing any obstacle in the way of Dr. Danysz, if it were in my power to do so I would give him every assistance to enable him to conduct his experiments. I need hardly point out that experiments conducted in a laboratory, and experiments conducted on a wholesale scale, are not always followed by the same results. We might, by means of microbes, succeed in destroying a certain number of animals kept in confinement, when, if we were dealing with the same animals outside, it would by no means follow that their inoculation would be so successful in destroying them. The House, in the best interests of Australia, might very well instruct Ministers to give Dr. Danysz every opportunity to conduct his experiments. We might, as we do in the case of an epidemic of small-pox, establish a quarantine station. We might take some island five, ten, fifteen, or twenty miles from the mainland—I care not where it is, so long as Dr. Danysz could be given a free hand to conduct his experiments there.

Mr. PAGE.—What about taking him over to Tasmania?

Mr. CAMERON.—I happen to be one of those who possess a fair interest in Tasmania, and, so far as I am personally concerned, I am quite content that Dr. Danysz should try his experiments in that State. I have no fear that a man with his reputation will do anything which would be likely to imperil human life, or other animal life than that of rabbits, in carrying out his experiments in Tasmania or elsewhere. Only three years ago, when a disease broke out in Tasmania amongst my own stock, I had experiments conducted to meet it. We were, to a certain extent, groping in the dark, but I inoculated every sheep I owned in Tasmania with certain germs, to see whether it was possible to cure the disease by that means, and I am happy to say that I was successful. I have no doubt that others would be prepared to do what I did. However, there is no necessity to select Tasmania, which, although a small island, as compared with the mainland of Australia, is as large as Ireland, and is capable of producing as much intelligence, man for man and woman for woman, as can be found elsewhere. Leaving that aside, I point out that there are a large number of islands on the coast of Tasmania from

twenty to sixty miles away, and comprising from twenty-four to 300,000 or 400,000 acres. Some of these islands are let on a three years' lease by the Tasmanian Government to the highest bidder, and I have no doubt that if the Commonwealth Government, with the liberality which always distinguishes them, chose to do so, they would find it easy to hire one of those islands for three, four, or five years, as the case might be, for the conduct of these experiments, after the removal of the tenants in occupation of it at the present time.

Mr. PAGE.—The honorable member would not agree to that.

Mr. CAMERON.—Why not?

Mr. PAGE.—I thought the honorable member was an anti-Socialist.

Mr. CAMERON.—I am not an anti-Socialist or an anti anything else. I am for the good of the multitude, as against the minority. It appears to me that the minority in this case represent the freezing companies of Sydney and Melbourne, and the rabbit trappers, whilst the majority represent the great producing interests of Australia. The honorable member for Maranoa is a worthy representative of one of the largest pastoral constituencies in Australia. His interests and mine in this matter are identical, and he will agree that any proposal to conduct experiments for the purpose of destroying a pest which has existed for thirty years in Australia is worthy of the best consideration of this Parliament.

Mr. KENNEDY (Moir) [5.30].—I hope that the honorable and learned member for West Sydney will agree to the amendment of his motion. While I admit that it is essential that all experiments with microbes shall be safeguarded in every way possible, to prevent the communication of diseases to mankind and to animals, I am not ready to go so far as to vote for the prohibition of such experiments, which is what the motion, as it stands, would do. I suggest, therefore, that the words "for laboratory experiments" be left out, with a view to adding the words, "under the supervision of a board of scientists appointed by the Governor-General in Council." It cannot be doubted that the rabbit pest has caused an enormous loss to Australia, and that we have not yet reached the limits of that loss. Notwithstanding the money already expended on rabbit destruction, and the enterprise displayed by those engaged in

the rabbit export trade, the number of rabbits is increasing every year, and each year a larger area of country becomes infested with them. It is well known to those engaged in pastoral and agricultural pursuits that the rabbit pest has caused ruin to hundreds of people. It has been said that we should consider the value of the rabbit export and fur trade, but I say, after due consideration, that that is not a circumstance to the loss which the rabbit pest has caused to Australia. Notwithstanding all that has been done to destroy the rabbits, the carrying capacity of a great portion of Victoria, and of a still larger portion of New South Wales, has been reduced by from 20 to 40 per cent.

Mr. WILSON.—By 20 per cent. in Victoria, and by 40 per cent. in New South Wales.

Mr. KENNEDY.—Any one who doubts my statement has only to make inquiry for himself to have it confirmed. I can mention numerous districts in Victoria where, notwithstanding the amount which landholders have spent each year in keeping down the rabbits, and the improvements which they have made by clearing, cultivation, and the application of manures, the productiveness of the land, either in crops or in food for stock, has been reduced by from 20 to 40 per cent. It has been said that in inoculating the rabbits with a microbe we shall take risks. Undoubtedly we shall; but if the proposed experiments are conducted subject to proper supervision and control, the risks will be very small. Are we to assume that the Pasteur Institute would send to Australia a representative likely to injure its reputation by taking unnecessary risks; or that the Government of New South Wales would allow the proposed experiments to be carried out without the observance of all due precautions? We have had the assurance of Dr. Tidswell, a man of considerable qualifications, that there are precautions which can be taken to avoid risks. We know practically nothing of the microbe which it is proposed to introduce. Dr. Danysz says that it is already in existence in Canada, and in some countries of Europe, and it cannot be definitely said that it is not already present among the rabbits of Australia.

Mr. WATKINS.—It has not killed many of them, apparently.

Mr. KENNEDY.—Possibly it may be here, and may not be active. What is proposed is to experiment, first, to see if the

microbe proposed to be introduced is efficient for rabbit destruction, and, secondly, if infection is liable to be conveyed to stock, or to human beings. I would remind those who are opposed to these experiments of the great boon conferred on Australia by the experiment conducted with spores or microbes with a view to counteracting disease. It is not intended to inoculate rabbits in the open with the microbe brought here by Dr. Danysz, so long as there is reasonable doubt that it may affect other animals or human beings, and one of the questions to be answered is whether such infection is possible. I am ready to vote for every reasonable safeguard, but it may be that, after the experiments have been carried out, it will be seen that the microbe is unsuitable, and it will not then be used. We know what the scientific investigation of, and experiments with, diseases have done in other directions. We know what has been the effect of the application of the virus of vaccine for the prevention of anthrax, and how efficaciously that dread disease can now be controlled. I trust, therefore, that Parliament will do nothing to prevent proper experiments with this microbe, always under restrictions which will safeguard human and other animal life, except rabbits. Personally, I cannot conceive that the Pasteur Institute would send an unqualified man out here, or that the health authorities of New South Wales would allow the public health of the State and the Commonwealth to be endangered by the prosecution of experiments without proper safeguards, and I trust, therefore, that the honorable and learned member for West Sydney will allow his motion to be amended in some such way as I have suggested.

Mr. FRAZER (Kalgoorlie) [5.40].—The honorable member for Wilmot has suggested that the motion has been moved as an electioneering dodge, but, as one of those who intend to vote for it in an amended form, I wish to say that there is not a scintilla of truth in that suggestion. What we have to consider is, not whether certain pastoralists will gain by the destruction of the rabbit pest, but whether the introduction of a certain microbe will endanger the health of the people of the Commonwealth, and the stock belonging to them. I intend, therefore, to move an amendment. I have been interested in the statements made by Dr. Danysz, and

those primarily responsible for his presence amongst us, and, while I am not in a position to express a scientific opinion as to whether the microbe which he has brought will serve the purpose intended, and kill rabbits without injuring other animals—

Mr. WILSON.—No one can say that yet.

Mr. FRAZER.—Quite so; but Parliament should take up the position that there shall be no introduction of disease among rabbits until a competent tribunal is assured that it will not affect other animal life. The object of the motion is to prevent the Commonwealth Government from issuing a proclamation sanctioning the introduction of a disease before this Parliament has declared itself satisfied that that disease can be introduced without injury to the community. One reason why we should be very careful in dealing with this matter is that Dr. Danysz has stated that the effect of inoculating rabbits with the proposed disease will be to set up in them an acute form of influenza, which will kill them within a period varying from a few days to three weeks, during which time there will be a discharge from their nostrils, which will taint the pasture upon which they are feeding, and, in this way, be conveyed to other rabbits. From the point of view of an ordinary layman, it is impossible to imagine a more disgusting method of distributing disease than that proposed. I do not say that other means are available, but certainly the method proposed appears to me to be accompanied with the maximum of risk that the disease will be communicated to other forms of animal life.

Mr. CONROY.—That is not for the honorable member to discuss, because he is not an expert.

Mr. FRAZER.—I am discussing it, but whether or not my opinion is of any value is another matter. I do not pretend to be a scientist, but I might point out that even those whose opinions are entitled to weight are not satisfied that the microbe proposed to be introduced into the rabbits will not attack other animals. Another aspect of this question has been touched upon by the honorable and learned member for West Sydney, and has been rather lightly dealt with by honorable members opposite, namely, the importance of the rabbit industry to Australia. I do not for one moment claim that the rabbit is a desirable addition to the animal life of the Commonwealth, but, according to reliable figures, 20,000 people

are earning their living by destroying rabbits, and a large number of persons would have no flesh food at all were it not that they can procure rabbits cheaply. If we were assured by a scientific committee that the introduction of a certain microbe would result in ridding us of the rabbit pest, a strong inducement would be offered to us to adopt that means of destruction. But when we know for a certainty that the introduction of the microbe would ruin an industry, whereas we cannot feel assured that it would rid us of the pest, or even part of the pest, we should certainly look for more information before committing ourselves.

Mr. CONROY.—How could the industry be destroyed if the rabbits were not killed?

Mr. FRAZER.—The honorable member for West Sydney quoted the case of the Chicago meat packers, which is at present occupying the attention of the whole world, as an indication of the injury that could be wrought by disclosures such as have recently been made. It is stated by those most directly interested that they will probably lose about £30,000,000 worth of trade. I notice that some British soldiers have refused to eat the products of the Chicago meat packers.

Mr. CONROY.—A great deal of the information that has been published is absolutely untrue.

Mr. FRAZER.—If my honorable and learned friend takes that view, he must admit that there is so much more force in my contention that if disease were introduced amongst the rabbits as proposed, the rabbit industry would be ruined at once and for all time.

Mr. CONROY.—What about the arsenic and strychnine that are now being used?

Mr. FRAZER.—The poisoning of rabbits is being carried on in areas other than those in which rabbits are being procured for human consumption.

Mr. KENNEDY.—Rabbits are being picked up on the phosphorus poison trails and conveyed to Melbourne, but are being rejected by the Government expert.

Mr. FRAZER.—The dangers to which the community are now exposed owing to the poisoning of rabbits is a mere nothing compared with those which it would have to face if disease were introduced among them. The honorable member for Wilmot stated that for twenty years he had been looking for some effective means of getting rid of the rabbits. I had a good deal of experience in Victoria and New

South Wales prior to my going to Western Australia, and I believe that the rabbit difficulty in Australia would be overcome if the large partially unused areas in the western districts of New South Wales and the magnificent lands in Victoria and Tasmania that are now being used merely for running sheep were brought under closer settlement.

Mr. CONROY.—I quoted the cases of five farms, not one of which has an area of more than 600 acres.

Mr. FRAZER.—Yes, but the honorable and learned member spoiled his illustration by stating that the men who have rented the land were not in a position to erect wire netting fences, and that their landlords would not do it. If those farmers had been placed upon land under a Closer Settlement Act, they would have taken all the necessary precautions to keep the rabbits off their holdings. I am perfectly sure that there is no difficulty in keeping down the rabbit pest upon small farms, and that the remedy lies in the direction I have suggested. The amendment that I intend to propose will meet the objections that have been raised by some honorable members opposite, and will, I think, prevent any action from being taken to disseminate disease among the rabbits until satisfactory evidence has been afforded that such a step can be taken with safety. I move—

That the following words be added to the motion :—"until such time as Parliament, or the Government, if Parliament is not in session, is satisfied, by the investigation of a duly appointed scientific committee approved by the Parliament, that outside experiments will be harmless."

Mr. LEE (Cowper) [5.55].—I think that the amendment renders the motion more acceptable. We may rest assured that the New South Wales Government will take every precaution against the introduction of disease that would prove harmful to animals other than rabbits. I gather from conversation with several members of the New South Wales Legislature that they are determined that no undue risk shall be run, and, therefore, the motion, as proposed to be amended, should meet their views. A great deal has been said in regard to the importance of the rabbit industry, and it must be admitted that a number of persons are making a living by trapping rabbits. It would, however, be a good thing for Australia if the industry were nearer to being ruined. Then the squatters

would have to employ men to keep the pest down, instead of allowing matters to take their course, and leaving the trappers to make a living as best they can. We all know that a great many experiments have been conducted with a view to getting rid of the rabbits. Some little time ago a very high Government official approved of a suggestion that a strip of canvass 200 yards long should have painted upon it a representation of luxuriant grass and other vegetation, and should be so displayed as to attract rabbits into enclosures, from which they could not escape. In my opinion, Dr. Danysz will not succeed in his present endeavours, but I think that those who are interested in getting rid of the rabbit pest should have every opportunity afforded them to put the proposed scheme to the test. Effective safeguards should be adopted to prevent the dissemination of disease until we can feel assured that no harmful results will ensue. I believe that, although rabbits are to be found in South Africa, they have not yet become a pest, because a particular kind of ant makes his way into their burrows and destroys them. Perhaps it would be a good plan to introduce some of these ants into Australia.

Mr. SPENCE (Darling) [6.0 p.m.].—If it were necessary to adduce any argument in support of the motion now before the House, it is to be found in the prevalence of rabbits throughout Australia. They were first introduced by a squatter, and had some one in the Parliaments of that day taken action to have their introduction prohibited, his name would be blessed by the pastoralists of to-day. Lack of precaution allowed the rabbit, the sparrow, and other pests to be introduced into Australia. I was under the impression that the proposal would command the unanimous approval of honorable members. Of course, I am well aware that at one time even the squatters themselves did not realize the harm that would ultimately be worked by the rabbit pest. I well remember one land-holder at Geelong, who would not allow anybody to trap or shoot rabbits upon his run. He regarded them as perfectly harmless little creatures, but very soon he became convinced of his error, and was glad that any one should destroy them. In Australia the rabbit is a very different animal from what it is in the old world, and Dr. Danysz, as a scientist, may discover that the microbe which he has cultivated to destroy it may

behave very differently here, owing to the different climatic conditions which obtain, from the way in which it behaves in Europe. It may even refuse to meddle with the rabbits at all, and may attack some other form of animal life. Consequently, it is our duty to see that exhaustive experiments are conducted before it is let loose. Whilst the rabbit has become a serious pest in many parts of Australia, throughout a great portion of the Commonwealth the remedy required is plain enough. That remedy is closer settlement. But in the western part of New South Wales there is admittedly a large area which, under present conditions, is not suitable for that form of settlement. There the wire-netting of runs is impossible, because, owing to the constant drifting of sand, the netting would be buried within the course of a few years. But, although the pastoralists themselves have sunk a large sum of money to induce Dr. Danysz to come to Australia, it would be madness on our part if we allowed him to conduct his experiments except under proper supervision. In the first instance, of course, those experiments should be confined to the laboratory. The rabbit in captivity in Australia is a very different creature—especially in regard to propagation—from the rabbit enjoying its freedom, and, therefore, it is essential that experiments should also be conducted in the open. Even if the result of the tests applied in the laboratory proves that the disease which Dr. Danysz wishes to introduce is communicable to rabbits and not to other animals, it should not then be allowed to be propagated, except under the closest supervision. For this purpose some island should be chosen which is more remote from the coast of New South Wales than is Broughton Island, and the experiments undertaken there should be conducted by the same scientists. Even then, unless it could be established that the disease would have the effect of keeping down the rabbits to a greater extent than they are being kept down at present, we should prohibit its spread. I think that the most stringent conditions should be laid down by the Government. I do not believe that any scientist will declare that rabbits can be entirely eradicated by means of disease. That being so, we have to choose between carrying on the wool industry, with the added cost of keeping down the pest, and the destruction of industries dependent on rabbit destruction

Mr. Spence.

by a disease which may contain an element of danger that is at present not recognised. We cannot be too careful in this matter. There is an almost unanimous opinion in New South Wales that Broughton Island is too close to the coast of that State to permit of the proposed experiments being safely carried out there. Those who have seen the Australian eaglehawk know that it is not much trouble for it to carry a rabbit. I have seen that bird carrying an opossum, which is much heavier than a rabbit, and I, therefore, maintain that he could easily carry a rabbit from Broughton Island to the mainland. I think it is right that the Government should, in the public interest, invoke the assistance of Dr. Tidswell to watch the experiments carried out by Dr. Danysz. I do not think that we are justified in leaving the matter to the pastoralists themselves, whose one object is to destroy the pest. I should further like to ask those gentlemen, who have planked down £10,000 to induce Dr. Danysz to undertake these experiments why they are so tardy in contributing even £1,000 to assist the operations of a constituent of mine—Mr. Rodier, Tambua Station—who for a number of years has been successfully employing a simple and scientific means of combating the rabbits. He challenges anybody to visit his run, and to see for themselves the results of his method. Whilst other places are swarming with rabbits, his holding is practically free of them.

Mr. DUGALD THOMSON.—What means does he adopt to get rid of them?

Mr. SPENCE.—It is simplicity itself. He catches all the males he can outside his holding, and throws them over into his run, and he kills all the females which he traps upon his own land. He claims that this method of keeping down the pest has been successful for a number of years. Why do not the pastoralists assist Mr. Rodier? They declare that they know better than he does. Yet scientific men support the underlying principle by which he has been guided. Some of the money which the pastoralists have contributed to enable Dr. Danysz to carry out his experiments might very well be utilized in the direction I have indicated. Mr. Rodier's run is near Cobar, in New South Wales.

Mr. WILSON.—It would be very difficult to apply his experiment to the western lands of New South Wales.

Mr. SPENCE.—His run is in the western district.

Mr. WILSON.—He has only tried his method upon a small wire-netted area.

Mr. SPENCE.—He holds a very large area—one which would absorb three or four Victorian runs. Whilst I have every confidence in Dr. Danysz, I claim that we are not doing our duty if we neglect to safeguard the public interest in the way that is proposed in the motion. I am certainly surprised that any honorable member should oppose it, seeing that it aims at making the projected experiments effective. It may not be generally known that in New South Wales an industry has recently been established for the manufacture from rabbits of a sort of bovril, and that this article is now being exported.

Mr. WILSON.—Bovril would be a false trade description.

Mr. SPENCE.—It is manufactured in New South Wales. The industry has been in existence there for about twelve months. It has got beyond the experimental stage, and could be profitably carried on in the western district of that State.

Mr. WILSON.—The honorable member is giving the show away very badly.

Mr. SPENCE.—I do not say that the article in question is described as "bovril." It is called by another name. It is the essence of rabbit, and a market has been found for it in the old world. With the expansion of that industry, in conjunction with trapping, it is possible that the rabbit pest may be kept down. As the honorable and learned member for Werriwa has pointed out, in his own district the rabbits have increased because the land-holders did not use wire netting. In closely-settled districts we need not worry about the rabbits. Their skins are also used in some of our large industries. Mr. Anderson, of Sydney, is prepared to take all the rabbit skins that he can secure. A big trade is being established in that connexion, and if a higher duty were imposed upon hats, probably it would attain still larger proportions. That the rabbits are being kept down upon the pastoral runs to-day at a less cost to the grazier than was formerly the case, is admitted by all parties. Hence we must see to it that no disease is introduced which is not calculated to eradicate the rabbit pest. If it is not likely to do that I, for one, shall be opposed to its introduction. I therefore support the view that we should keep the

matter under the control of the Government and Parliament so far as it is in our power to control it. We can reasonably appeal to the States Governments to adopt the same attitude, because of the danger involved and the effect upon industries which might be productive of as much good as would the introduction of the disease, assuming that it be shown by experiment to be successful in achieving the object in view.

Mr. WILKS (Dalley) [6.16].—I have listened to the debate with interest, though it has been somewhat outside the usual course, and we have been treated to dissertations on bacteriology, and to many illustrations of the pest which rabbits are admitted to be in Australia. Self-interest is involved in the question under discussion, because I find that the pastoralists and farming classes in Australia, at their own expense, have invited Dr. Danysz, an expert of world-wide reputation, to visit Australia to deal with the pest. It appears to me to be the duty of Parliament to intervene, if there is any necessity for intervention, on behalf of those who have no personal interest in the matter. We know that the expert has been offered a very large sum of money if, by the introduction of a certain disease, he can bring about the destruction of rabbits in Australia. That is the matter with which he is chiefly concerned, and he is not concerned with the question whether or not he may be introducing to Australia a pest equal to, or even greater than, the rabbits. It is, therefore, the duty of Parliament to step in if it is believed that there is any reason to fear the introduction of a pest which may be injurious to persons who are not immediately interested in the pastoral industry. We have had the statement made that, as a result of the depredations of rabbits, there has been a shrinkage of capital values in the pastoral lands of New South Wales alone to the extent of from £8,000,000 to £10,000,000. That is the estimate presented only a few months ago by the Minister for Lands in New South Wales. His Department estimates that the loss sustained by New South Wales from the existence of the rabbit pest amounts to from £8,000,000 to £10,000,000, and the further statement is made that the revenue derived from rents of lands in the western division of the State has decreased from £250,000 to £70,000 a year. Though there are

thousands of people employed in killing the rabbits, and preparing them for export, the loss which would accrue if they should cease to be employed could not be compared with the loss suffered by New South Wales alone from the depredations of this pest. It is singular to note that the rabbit seems to have played rather an important part in the early history of Australia, as well as in its later history. In the early days we owed the introduction of many of our sturdy yeomanry to the fact that in the old world they had shot rabbits which did not belong to them. In my opinion they were unfairly treated in being sent to Australia as compulsory immigrants on that account. But it is clear that the rabbit has occasioned a good deal of distress at both ends of Australian history, and to-day we are very much concerned with their eradication. It is certainly the duty of the Government to see that all necessary precautions are taken to prevent the spread in this country of any disease likely to be injurious to human beings or to stock. The doctors themselves are not satisfied that the disease which it is proposed to introduce will be harmless to human beings and stock. Dr. Tidswell, the official expert in New South Wales, will not guarantee that the introduction of the proposed disease will be without danger to the community, and Dr. Danysz is not satisfied that it will accomplish the purpose for which he seeks to introduce it. He has come here merely to experiment, and Broughton Island has been set apart for his experiments. I agree with those who believe that it will not be sufficient to conduct experiments in an ordinary laboratory. There must be outside experiments if the efficacy of the proposed disease is to be properly tested, and I think that Broughton Island is a most suitable place for conducting such experiments. I direct the attention of honorable members to the fact that Rodd Island, which is within half-a-mile of some densely populated districts on the shores of Sydney harbor, was for four years the scene of experiments conducted by the Pasteur Institute to obtain a somewhat similar remedy for the rabbit pest to that which it is proposed that Dr. Danysz shall introduce. The island was, however, properly netted over to prevent the transmission of the noxious germs by means of bird life. Broughton Island is a few miles north of Newcastle, though only one and a half or two miles from the

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shore. But if it were properly caged in as Rodd Island was, I believe that no danger would be likely to ensue from the conduct of experiments there. I take it that the honorable and learned member for West Sydney merely desires that all necessary precautions should be taken to prevent the spread of an injurious disease. The honorable and learned gentleman has quoted Professor Anderson Stuart, the highest expert authority in Australia, and one who is unbiased, and is not in the pay of the pastoralists, as stating that he questions whether experiments carried out successfully in a laboratory would be found to be equally successful in the interior of Australia, and we know that if the efficacy of the disease is to be proved it must be demonstrated in the interior. The State Government of New South Wales has provided Broughton Island for the conduct of outside experiments, and have undertaken considerable expense to prepare the place for the operations of the celebrated doctor who is visiting Australia from the old world. I see no danger from the carrying out of experiments at Broughton Island, if it is netted in as Rodd Island was. It has been shown that a Pasteur element in the possession of scientists in Australia to-day can be made as virulent as that which Dr. Danysz proposes to introduce, and the Commonwealth authorities are unable to control experiments made with that element. Seeing that a number of people for their own protection have subscribed some thousands of pounds to secure a visit from a distinguished European scientist, I think that we should allow him to conduct the experiments which he desires to make, under the eye of the officials of the Commonwealth and States Governments. The Commonwealth Government are apparently inclined to adopt that course, and only to permit experiments in a laboratory until a committee of scientists are agreed that no possible danger can accrue from the use of the imported microbe. I agree with previous speakers that much of the difficulty we have experienced in connexion with rabbits has been due to neglect on the part of the people of Australia. Closer settlement would have had a great effect in reducing the ravages of the pest, and pastoralists should have been obliged to erect wire netting and employ labour to combat it. The pest is said to be increasing, and we can feel for pastoralists whose hold-

ings have been destroyed. We can also recognise that the matter is one which very seriously affects the Australian export trade. There is another side to this question, because we must consider, not only the export trade, but also the number of persons in Australia who consume rabbits as an article of food. If an experiment with the proposed disease should be carried out in the interior of Australia without any regulation, people who to-day depend a great deal on that kind of food would be afraid to partake of it. The honorable and learned member for Werriwa, in dealing with the question, pointed out, as against this objection, that the poisoning of rabbits with phosphorus has had a serious effect on bird life in Australia, to the detriment of farmers, but in doing so the honorable and learned member has shown that injurious results might follow to bird life and other life in Australia from the destruction of rabbits by the dissemination of Dr. Danysz's microbe. I should like to see the people of Australia eating wholesome, healthy mutton, rather than rabbits, but there are many persons of the industrial class in my electorate who are not sheep farmers or pastoralists, and who frequently take advantage of a cheap meat supply in the form of rabbits. They are deeply concerned in this matter, and would not wish to think that they might be eating rabbits inoculated with a microbe which, in time, might have an injurious effect upon them. Some honorable members may consider that I am not justified in urging that argument, but I think it is my duty as the representative of those people to put it forward, in addition to the others I have presented, as a reason why extra precautions should be taken in connexion with this matter. I believe that sufficient precautions will be provided for if the motion be amended in the way proposed, and that the Commonwealth Government will have the power to protect the industries of Australia. When an expert authority like Professor Anderson Stuart will not guarantee that the proposed disease will bring about the destruction of rabbits in the way represented by those who are paying for the experiments, and Dr. Danysz, as I saw by the report of an interview with him, is not able to guarantee the efficacy of his proposed treatment for years to come, it is clear that something must be done in the interval, and it is the bounden

duty of pastoralists to see that wire netting and other means are adopted to decrease the numbers of the pest. The States Governments who own the land must also take the matter into consideration. I have much pleasure in supporting the amendment, because I think it provides for the necessary precautions, and because I believe that the experiment should be conducted not only in a laboratory in Sydney, but outside.

MR. DEAKIN. — I shall be prepared to give an hour of Government time to this motion after tea, in the hope that honorable members will be able in that time to close the discussion.

Sitting suspended from 6.30 to 7.30 p.m.

POSTPONEMENT OF BUSINESS.

Motion (by Mr. DEAKIN), agreed to—

That the consideration of Government business be postponed until 9 o'clock p.m.

INTRODUCTION OF MICROBES: RABBIT PEST.

MR. WILKS (Dalley) [7.31].—In concluding my remarks, I wish to say that the acting leader of the Opposition desired to speak on this subject, because of its importance to the State of New South Wales, and would have addressed the House during the afternoon, if he had had an opportunity to do so, but another engagement prevents him from being present this evening. He takes the view that the New South Wales Government have been represented as neglectful of the true interests of the State, and resents that aspersion upon them. I, as a citizen of that State, wish to emphasize my opinion that that Government and the Parliament of the State—which will shortly be in session—are able and willing to do all that is necessary to protect the people of New South Wales from any danger that might come from uncontrolled experiments of the nature of those proposed to be undertaken by Dr. Danysz. Dr. Danysz, however, is a scientist of world-wide repute, and is, I am sure, ready to take every precaution. He has been brought out at the expense of a number of pastoralists, and Broughton Island has been handed over to him for the purpose of his experiments. My only concern is that the public health and interests shall not be jeopardized. At the present time, a professor of the Sydney University, who is an expert bacteriologist, refuses to say

that the introduction of Dr. Danysz's microbes amongst our rabbits would not be dangerous to the community, and Dr. Tidswell, the Government Bacteriologist of the State, refuses to advise the Minister of Trade and Customs, at this stage, that the introduction can be safely effected. That being so, it is prudent for us to prohibit any but careful experiments, until the fact is demonstrated that a disease can be communicated to rabbits without injury to human health or the health of stock. In my opinion, the proposed experiments can be safely carried on at Broughton Island, because, as it is at least a mile and a half from the shore, there is no likelihood of the germs being conveyed from it to the mainland. While I realize the proportions of the rabbit industry, I know that the loss inflicted by the rabbits on the pastoral and agricultural industries is much greater. I am not a country representative, but I have travelled a good deal in the country, and I have often wondered why wire netting has not been more largely used to restrain the ravages of the rabbits, though I know that all sorts of schemes have been tried to reduce their numbers. The honorable member for Cowper has told us that, some time ago, during the drought, it was proposed to engage a scenic artist to depict on an enormous canvas a landscape covered with luxurious vegetation, with a view to enticing the rabbits to enter a trap prepared for them, and although the idea seems a preposterous one, I believe that a Sydney professor, who is at the head of one of the great Departments in New South Wales, took shares in the undertaking, and advised others to do likewise. We may form some idea of the value of some scientific opinions when a professor will support a scheme of that kind. In the past it used to be said that there were two great pests in New South Wales—the Abbott family and the rabbit family—and it was not known which was the worst. For the benefit of the uninitiated, I may explain that the Abbott family was a great squatting family in that State. I am not prepared to allow a scientist to disseminate a disease throughout Australia which may destroy other animals besides rabbits, and thus substitute a plague for a pest; but if the experiments which Dr. Danysz has in view are carried out under proper safeguards, I see no objection to them, and if Dr. Anderson Stuart and Dr. Tidswell finally determine that the disease which he wishes to introduce can be

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safely disseminated, I shall not object to its dissemination. Of course, those who eat rabbits have an interest in this matter; but I think it would be better for them to eat wholesome and cheap mutton, and, if we can benefit the pastoral and agricultural industry without doing injury to any other industry, or to the public health, we should take every means to do so.

Mr. HENRY WILLIS (Robertson) [7.40].—The motion appears to me to have been moved with a view to preventing the proposed experiments of Dr. Danysz, because it is feared that the experiments may be successful, and the rabbit industry destroyed. We are asked to affirm that the introduction of microbes for the destruction of rabbits may prove inimical to human and other animal life, and, therefore, should not be permitted, except for laboratory experiments; but if we are not to go beyond such experiments, we shall gain nothing. The pastoralists who have subscribed to the fund for bringing out Dr. Danysz have acted in good faith, and any opposition to the proposal should have been raised before he was invited to come out. He received his fee before he left France, and is now on the scene, having brought the microbe culture with him, ready to make his experiments; but pressure has been brought to bear on the Minister of Trade and Customs, with a view to throwing obstacles in the way of these experiments. There is, however, in force in New South Wales an Act under which the authorities can take, and have taken, every precaution to prevent the reckless handling of microbes. Dr. Danysz is an eminent scientist, of wide experience, whose discoveries have effected the destruction of rodents within a hundred square miles of Marseilles, and who has written a very exhaustive report upon his work.

Mr. FRAZER.—He ought to be given the Sydney plague rats to experiment with.

Mr. HENRY WILLIS.—The honorable member evidently does not take the matter seriously. It has been reported that there are 10,000 men engaged in the rabbit industry, but they are almost entirely men who have been thrown out of employment in the pastoral and agricultural industries, in consequence of the prevalence of the rabbit pest, and are making only a precarious living, many of them earning less than £1 per week.

Mr. FRAZER.—Any number of pastoralists do not pay their men £1 per week.

Mr. HENRY WILLIS.—Applications for permission to enter holdings in which I have an interest are made to me almost daily, for the purpose of trapping rabbits, and in most cases those concerned tell me that they earn less than £1 a week in that occupation. The pastoralists are, of course, taking every step which they think likely to be effective to keep down these rodents; but even when they are able to reduce the numbers on their own holdings, there are so many bred on the adjacent waste lands of the Crown, that, even when wire netting is employed to keep them out, they burrow underneath. The rabbits must be eradicated, and ultimately the work must be taken up by the Government. Money has been provided by private subscription for carrying on the experiments, and it now remains for Dr. Danysz to produce a culture that will have the desired effect. He has brought out certain cultures, and if they fail he will endeavour to develop one that will answer the purpose. There is no difficulty in carrying on work of this kind, which is an every-day matter in the laboratories of the Pasteur Institute, and even in those of the Agricultural Departments of New South Wales and Victoria. Dr. Danysz is an expert, and thoroughly knows his business. Should he fail to produce an effective culture he will not venture to disseminate a dangerous disease. So far, many impediments have been thrown in his way, and the Government are not to be complimented upon having yielded to the pressure of the Labour Party in this matter.

Mr. RONALD.—Would the honorable member like to see a culture produced that would destroy the Labour Party?

Mr. HENRY WILLIS.—The Labour Party are all right, but they are acting unfairly in bringing undue pressure to bear upon a Government that is dependent upon them for its political existence. I think it is undesirable that undue restrictions should be imposed upon Dr. Danysz. If Broughton Island should not prove suitable, Lord Howe Island, or some other similar location might be chosen. There is no reason why a large area should not be enclosed with wire netting to afford the experimentalists the fullest scope. Some time ago experiments were carried on upon Rodd Island in Sydney Harbor, and areas similar in extent on the mainland could be used in various parts of New South Wales. If Dr. Danysz's experiment prove success-

ful the work of spreading the disease will have to be performed quickly, because otherwise the rabbits may become immune. Dr. Danysz does not think it possible to absolutely exterminate the rabbits, although he thinks that all but a very small percentage can be killed. If it be possible for the rabbits to become immune, any other animal that might by chance be infected would also become immune. I do not think that we need be afraid of any special risk to human life in connexion with the dissemination of disease among the rabbits, because the experiments are to be carried on under the supervision of Professor Anderson Stuart and Dr. Tidswell. It appeared to me that the honorable and learned member for West Sydney did not devote sufficient attention to one aspect of the question. He told us that from fifteen to twenty thousand men found employment in the rabbit industry, and that the rodents were being destroyed at the rate of four millions or five millions weekly. No doubt the industry is of paramount importance to those who have embarked their capital in rabbit-freezing works, but some consideration must be paid to the pastoral industry, in which millions of money have been lost, and in which tens of millions more will be expended in vain unless the pest is got rid of. The rabbits are now spreading in all directions. They have already reached the more settled areas, including the wheat-growing areas round about Dubbo, Narromine, Trangie, and Wellington, and are becoming such a pest that the livelihood of thousands of men is being jeopardized. Yet the Labour Party raise a plea on behalf of men who are now engaged in trapping. They represent that these men were previously unemployed, and that, but for the rabbit industry, they would be starving. I decline, however, to believe that the rabbit trappers are entirely drawn from the city unemployed. I know of scores of men who have been deprived of their living, owing to the ravages of the rabbits, and who have taken to trapping as the only means by which they can earn a crust, until the pest is effectively dealt with. It must be remembered that a large area of New South Wales is held under lease, or conditional purchase, and that the lessees or conditional purchasers are not able to keep up their payments to the Government, owing to their properties having been overrun by rabbits. If the pest were effectively

dealt with, the smaller settlers would be especially benefited, and it behoves us to give every encouragement to those who are now endeavouring to cope with the evil. When the experiments have been concluded, the Government should take action without waiting for the approval of Parliament. They should not shirk responsibility, as the Minister for Trade and Customs seems inclined to do. They should not appeal to Parliament for a decision.

Mr. FRAZER.—I think that they are taking up a very proper position.

Mr. HENRY WILLIS.—If the honorable member desires to retain responsible government, he will look to the Ministry to administer the Acts which have become embodied in the statute-book, without waiting for parliamentary approval.

Mr. FRAZER.—A truly responsible Government should carry out the wish of Parliament.

Mr. HENRY WILLIS.—A Government which awaits a decision of Parliament before discharging its administrative functions, is no more to be commended than one which appoints Commissions to report upon questions upon which it has not the courage to declare its policy. Some reference has been made to the necessity of cutting up large estates, arranging for their closer settlement, and having all the holdings enclosed with wire netting. Honorable members who indicate this as a means of coping with the rabbit pest cannot know anything of the great expense involved in erecting wire netting. Thousands of small settlers would have to throw up their holdings if they were called upon to enclose them with wire netting. The netting itself is very expensive; the work of erection is costly, and a boundary rider has to be employed to keep the fences under close inspection.

Mr. FRAZER.—We are in favour of holdings around which a man could walk.

Mr. HENRY WILLIS.—For such holdings, so much more wire netting would be required. The only chance we have of using wire netting effectively against the rabbits is by enclosing large areas. A ring fence round 100 square miles would cost much less than the fencing required to enclose 100 areas of one square mile each.

Mr. FRAZER.—The honorable member would prefer to see one squatter settled upon land that should support a thousand families.

Mr. HENRY WILLIS.—The honorable member does not understand that a large

proportion of the country in the Western District of New South Wales is suitable only for grazing purposes. It is absurd to talk about agriculture in the far western districts.

Mr. FRAZER.—I was born in those parts.

Mr. HENRY WILLIS.—Then the honorable member must have been a shepherd, because the agricultural holdings there are insignificant. They are confined to a few favoured tracts along the river flats or along the railway line, in the direction of Trangie and Narromine. The honorable member for Darling referred to Cobar, but from that district we get, not wheat, but copper, silver and gold.

Mr. FRAZER.—Would the honorable member endanger the lives of the whole of the people in Australia for the sake of a few squatters at Cobar?

Mr. HENRY WILLIS.—The squatters and agriculturists are the life-blood of Australia. They have spent millions of money in developing our natural resources. They have leased land where they could, but have in many cases been compelled to buy it from selectors. Scores of men have gone into the pastoral districts, and have taken up land with a view to blackmailing the squatter. Under the land laws of New South Wales, a man could take up a holding under conditional purchase, and before any fences were erected by him, could impound any stock which strayed on to his property. Many selectors have taken advantage of the law to such an extent that they have compelled the squatters, in order to get rid of them, to buy out their holdings at fictitious prices.

Mr. WILKINSON.—Many of the squatters have been made rich by dummying the land through selectors.

Mr. HENRY WILLIS.—The squatter did not want to buy the land, but he was often compelled to do so. Where a squatter could get a square mile of country for £3 per annum, he would not elect to pay £1 or £2 per acre by way of purchase money, and submit to an interest charge of 4 per cent. There are many *bona fide* small settlers in the eastern and central districts who could not afford to wire-net their holdings.

Mr. HUGHES.—What does the honorable member call a small holding?

Mr. HENRY WILLIS.—These men may take up forty acres if they choose to do so, or they may occupy a square mile

of country. The honorable and learned member for West Sydney was in the New South Wales Parliament when the Act was amended from time to time, and he is very well acquainted with its provisions. Although many respectable men are engaged in rabbiting, there are others whom it is undesirable to have on a run, and I have seen the carcass of a sheep, from which a leg has been torn, left on the ground to rot. As a class, rabbiters makes a precarious living at the best. Upon an average, I venture to say that they earn less than £1 per week, notwithstanding the estimate of the honorable and learned member for West Sydney that they make double that amount. I wish to protest against the Government shirking the responsibility of administering the Act which is in operation to-day. They have an expert to assist them, in the person of Dr. Tidswell. Let them abide by his advice if it is reliable, and if it is not, let them act upon their own initiative. But by all means, let us know that we have responsible government. Even if the experiments to be conducted by Dr. Danysz are successful, the author of this motion will still wish to prevent the extermination of the rabbits, because he claims that that would be tantamount to the stamping out of an industry. I say that it is most unfair for the Labour Party to endeavour to prevent the eradication of this pest, which is so destructive in New South Wales. In that State tens of thousands of pounds have already been lost as the result of the ravages of rabbits, and hundreds of people have been ruined by them. I know of persons who have forsaken their former holdings along the railway line between Sydney and Melbourne, and who have gone to the Darling Downs to make another start, because of the havoc worked by the rabbits.

Mr. McDONALD.—There are millions of rabbits on the Darling Downs.

Mr. HENRY WILLIS.—Doubtless, there will be in the near future. The rabbit likes good land and sweet grass, and he will find both upon the Darling Downs. I regret that the Labour Party should be found throwing obstacles in the way of the conduct of successful experiments for the extermination of the rabbits. They are endeavouring to bring pressure to bear upon a weak-kneed Government, instead of giving the experiments a fair trial.

Mr. LIDDELL (Hunter) [8.5].—It has been suggested to me that the opinion of a

member who has had a medical training may possibly carry some weight in a discussion of this character. But I think that the House is not concerned with the scientific aspect of this question at all. We are concerned, however, with its economic aspect. We have to consider that in Australia there is a veritable plague of rabbits. Alongside that plague it is urged by some that we have a valuable industry. Personally, I fail to see how we can possibly weigh one thing against the other.

Mr. KENNEDY.—We have an industry which is kept going at a ruinous cost.

Mr. LIDDELL.—For once I agree with the honorable member. I do not think that we should regard the rabbit as other than a plague, and if we can discover any means which will relieve us of that plague, we should certainly embrace it. It has been suggested that by the introduction of this disease it is possible that we shall find a remedy ready to our hands. I admit that to introduce into the country a disease of which we know absolutely nothing is a very serious matter. At the same time, if that disease will rid us of the rabbit pest, I think that we should at least encourage those who are endeavouring to introduce it. The gentleman who has come to Australia from Paris is not a charlatan or a quack. He is a man who, after years of careful study, has made a reputation for himself. We must recollect that in the action which he now proposes to take that reputation is at stake.

Mr. WILSON.—And that of the Pasteur Institute as well.

Mr. LIDDELL.—We have not the authority to say that Dr. Danysz actually represents the Pasteur Institute, although I believe that he is a student of that institute.

Mr. WILSON.—He is more than a student.

Mr. LIDDELL.—We may rest assured that if he comes from the Pasteur Institute he is a man of indisputable honour. He proposes to make, after all, what is only an experiment. He does not claim that he can eradicate the rabbit pest. His object is to ascertain if certain experiments which have been successful elsewhere, will be equally successful in Australia. He comes to us and lays his plans before the Government of the country. He does not volunteer the nature of the culture that he proposes to introduce, but he gives us to understand that it is a culture in some way connected with certain diseases with which

the scientific world is fairly familiar. I am perfectly satisfied, from what I know of scientific investigations, that Dr. Danysz will carry out his experiments in such a way that the interests of this country will be entirely safeguarded. It will be quite sufficient, I think, if the Government place officials of their own to watch over his experiments. Surely, if a man has a case of extreme sickness in his family, although he may have an opinion of his own in regard to it, and in regard to the treatment that should be adopted, he will procure the services—assuming that he is wise—of an accredited physician and place it entirely in his hands. In the same way I contend that we should place our case in the hands of the scientists who are here. If Dr. Tidswell undertakes to supervise the experiments conducted by Dr. Danysz, we may be perfectly satisfied that no injury can possibly arise. But I object to this Parliament placing certain bounds upon the action of those gentlemen. I object to the House declaring that they shall conduct their experiments only within the walls of a laboratory, because it is impossible, under such circumstances, to carry them out satisfactorily. Further, I cannot agree with the amendment submitted by the honorable member for Kalgoorlie, who desires to secure—before the experiments are terminated—the appointment of a committee of scientific experts for the purpose of reporting whether there is any chance of the disease being communicated to other animals or to human beings.

Mr. WILSON.—What is the honorable member's objection to that proposal?

Mr. LIDDELL.—It would simply mean hanging the matter up for ever, because no scientific committee will ever decide whether the disease is communicable or not. Personally I do not think that any good is likely to result from these experiments. Under the conditions which obtain in Australia, it is almost impossible that any disease which we can introduce will eventually exterminate the rabbits, for the simple reason that diseases have a tendency to die out. The virus gradually becomes attenuated, and the disease dies out of its own accord. But that is no reason why these experiments should not be made. If Broughton Island is within one mile and a-half of the New South Wales coast, it seems to me that some more remote spot should be selected upon which the experiments should be undertaken.

Mr. CONROY.—In France all the great experiments in the laboratory are conducted within a mile of great cities.

Mr. LIDDELL.—But we have suffered so much from the introduction of what were apparently harmless animals that we must be very cautious in any action that we may take. I entirely agree with the remarks of the honorable member for North Sydney, and I think that we might safely leave this matter in the hands of the scientific gentlemen to whom I have referred. We might very well ask them to report upon the experiments, and at a later stage, if it is necessary to do so, we can take further action.

Mr. BROWN (Canobolas) [8.15].—I do not altogether agree with the last speaker that this is a matter which should be left entirely to scientists. The Commonwealth Government is charged with the duty of safeguarding the lives and property of the people, and if any action is calculated to do them an injury, undoubtedly the Ministry should intervene. In connexion with the proposed introduction of a disease for the extermination of rabbits, the Federal and States Governments, in view of the representative and responsible positions which they hold, will be doing only their duty in seeing that no undue risks to the community are taken. I commend them for the action they propose to take to secure supervision of the proposed experiments.

Mr. DUGALD THOMSON.—Supervision by experts.

Mr. BROWN.—Yes. At the same time, I am not one of those who would throw obstacles in the way of experiments made, with the object of discovering a means for the extermination of the rabbit pest, so long as they are carried out under proper supervision. That is all that is being asked for by the motion.

Mr. CONROY.—It goes a little further.

Mr. WILSON.—The honorable and learned member for West Sydney has agreed to an amendment to that effect, which renders the motion acceptable.

Mr. BROWN.—I was not present when the honorable and learned gentleman did so, but he assured me that he intended, by his motion, to insure that the lives and best interests of the people of the Commonwealth should be properly safeguarded in connexion with the proposed experiments, and to that extent, I am wholly in sympathy with him. No one denies that the rabbit pest has been a source of very great loss to the people of the Commonwealth, or, so far as one can see, that it will be a source of

immense loss in the future. We wish to discover some means of eradicating the pest if possible, and if that be impossible, of bringing it within manageable limits. A great deal of money has been expended in experiments of different kinds with that object in view, and I have no doubt that other experiments will be undertaken. For instance, considerable expenditure had been incurred before it was discovered that wire netting, was a means of dealing with the pest. Then there was a great deal of expenditure involved in the experimental stages, in the adoption of poisons and mechanical contrivances for cheaply and expeditiously distributing them, to say nothing of the expenditure which has taken place since those methods have been generally adopted as a means of dealing with the pest. Such experiments have been carried on without restriction, but when it is a question of introducing a disease for the purpose of eradicating the pest, we should look into the proposal very carefully, and should satisfy ourselves that the disease will be confined to rabbits, and will not affect other animal life, including that of human beings, as, in such a case, the effect of the remedy would be very much more injurious than the pest. The introduction of diseases of this character calls for the strictest supervision. I confess, in common with other honorable members, that I am not an expert in these matters, and I prefer that they should be dealt with by experts; but the knowledge which we have of the ravages of diseases, especially in new forms, and the fact that many epidemic diseases to which mankind are from time to time subjected may be traced to the lower animals, is sufficient to warrant the exercise of extreme care in dealing with this matter. Some honorable members have spoken as if the strong objection raised to the indiscriminate introduction of these disease germs, is due to selfish motives, and comes only from those who are interested in the continuance of the rabbit industry, and it is held that they have no concern for the welfare of their fellow citizens. I beg to differ from that statement. I have recently been requested to hand to the Prime Minister petitions bearing upon this matter from different centres of my electorate. I know the people from whom they have emanated, and who were the promoters of the meetings at which they were arranged. I have no hesitation in saying that they are actuated by no opposition to the pas-

toral industry, and by no desire to maintain the rabbit industry. They view the matter from the wider stand-point of the general benefit of the community, and of the danger to human life which might follow from the unwise introduction of diseases which, while they might be destructive of rabbits, might be equally destructive of human life. What they desire is merely that proper supervision shall be exercised by the Commonwealth and States Governments to prevent undue risks being taken in the introduction of such diseases. I have had to present petitions from the residents of Parkes and other important centres in my electorate, which were the outcome of public meetings formed for the purpose of dealing with this question, at which meetings those who favoured the exercise of some control, and also those who wish to have these experiments made without supervision, were equally at liberty to express their views. Only a few hours ago I received a communication by post from the important centre of Orange to the following effect:—

At a public meeting, held in the Town Hall, Orange, on Friday, 1st June, convened by me, in response to a numerous signed requisition from the citizens and others, the following resolutions were passed, and in compliance therewith I have the honour to transmit them to you:—

"That this meeting of residents of Orange desires to enter an emphatic protest against any person being permitted to introduce into the State any unexplained disease for the purpose of rabbit destruction. Fearing the same may endanger the public health and welfare, we respectfully request the honorable the Premier of New South Wales and the honorable the Prime Minister of the Commonwealth to take immediate steps to prohibit the proposed experiments being carried out in New South Wales territory or in Australia."

"That the foregoing resolution be forwarded to the Honorable J. H. Carruthers and the Honorable A. Deakin through the State and Federal representatives of Orange respectively."

Kindly forward to the Prime Minister as soon as possible.

Yours Faithfully,

R. PLOWMAN,

Mayor and Chairman of the Meeting.

I have not press reports of the meeting to hand, but the mayor of Orange presided at it, and the communication which I have just read is the outcome of the discussion which took place. I undertake to say that those who promoted that meeting and attended it were not actuated by any of the petty motives attributed in this House to the opponents of unrestricted experiment in this connexion. They were guided by a desire to see that the experiment shall

be so conducted that no danger will be likely to ensue to the lives or property of any inhabitants of the Commonwealth from the spread of an unknown disease. There is great reason for this action, as we shall see if we look at the conditions which obtain here. Originally the Commonwealth of Australia was very highly endowed by nature in many respects. There was a remarkable immunity, under the old aboriginal conditions, from many of the diseases and pests from which we suffer at the present time. They have been introduced here from other places, and, although in those places they may not have assumed dangerous proportions, the climatic conditions of Australia have been so favorable to their spread that they have become very dangerous in this country. That is true of the rabbit pest, because so carefully were rabbits preserved as game in the old country that some of our population have been drawn from those who were sent here because they killed the landlord's rabbits. In this country the rabbits are having their revenge, and land holders who found that, under normal conditions, and before the introduction of this pest, they could hold their land profitably by the employment of a few boundary riders, are now faced with a life-and-death struggle with the pest. The owners of small holdings are also suffering from it, but chiefly because the large areas of private and Crown lands by which they are surrounded are breeding-grounds for the rabbits, which overrun their properties. This is an instance of the introduction of a pest for the gratification of some individuals who desired in Australia to ape the landlords of the old country in having game preserves. Another pest that has overrun New South Wales is the fox pest. Foxes were introduced into Victoria, as were rabbits by some landlords, for the purpose of hunting, and so forth. Not very long ago the fox was welcomed as an addition to the animal life of Australia, because it was claimed that foxes would destroy the rabbits, and would not prove to be nearly so great a pest. Recently, in travelling through a portion of my electorate, I found that the fox was considered as great an evil to the stock-owner as was the rabbit—that, instead of killing off the rabbits, he is killing off the lambs, and even the sheep, and is therefore another addition to our long list of pests. The reason why we have suffered from these pests is that, in

Mr. Brown.

the past, no proper supervisor has been exercised in regard to the introduction of animals and birds. No doubt if, in the old days, objection had been taken to the proposed introduction of foxes, rabbits, or sparrows, it would have been pointed out that these animals and birds do no great injury in the old land, and that it would be an undue interference with the liberty of the individual to prohibit their introduction here. But we are now asked to permit something much more serious to take place, namely, the introduction of a disease. It is true that if this disease does all that those who advocate its introduction claim for it, it will kill off the rabbits, and thus put an end to the enormous expense now entailed by the means adopted to that end. But the experience of the past, as well as other considerations, justify us in looking upon the proposal with a considerable amount of suspicion. While it is contended that the disease which it is desired to introduce will affect rabbits only, competent scientific authorities, and even Dr. Danysz himself, say that that has yet to be demonstrated. Dr. Danysz does not claim that the disease which he has brought with him will realize the expectations of those who advocate its introduction. He says that there are germ diseases which are very harmful to rabbits, but he admits that it is a matter for experiment whether the disease which he has brought with him is as destructive of rabbits as he supposes it to be, and whether its effects can be restricted to rabbits. Is it too much, then, to ask that the proposed experiments shall be so safeguarded that, if what is hoped for from them is not realized, the disease will not be disseminated throughout the Commonwealth? In my opinion, those connected with the pastoral industry have made a mistake in their antagonism to all attempts to convert the rabbits into a commercial commodity. In the early nineties, the present Premier of New South Wales, who was at the time Secretary for Lands, convened a conference of those interested in securing the destruction of the rabbits, with a view to devising some effective means, by legislation, or in other ways, to cope with the pest. The conference met in Sydney, and as the State electorate which I represented was within the affected area, I was a member of it, and took part in its proceedings. While it was sitting I had a conversation with the late Mr. Stevenson,

then at the head of the Government Board of Exports, who brought under my notice the possibility of converting rabbits into a commercial commodity. He considered that if this were done it would help to deal with the pest more effectively than the methods then in vogue, and he had the experience of Victoria and New South Wales to justify him. I suggested that he should place his views before the conference, and he did so in an address which was listened to attentively; but, afterwards, the representatives of the pastoral interest expressed themselves strongly against anything being done in the way of making rabbits a commercial commodity, and it was even stated that any man who seriously brought forward a proposal with that object in view deserved to be sent to gaol for six months without the option of a fine. That attitude towards the rabbit industry has characterized the pastoral industry from the very beginning, and what has been done in the way of making the rabbits a commercial commodity has been done largely in opposition to the pastoralists. Nevertheless, the rabbit industry has forged ahead, until now it has reached considerable proportions. Last year the export of frozen rabbits was so large that on some of the railway lines special trains had to be employed to cope with the traffic, and this year it is still larger. Of course, the traffic in rabbit carcasses can be carried on only in districts within easy reach of the railways, and during the cooler months of the year; but during the last six or eight months rabbits have been largely trapped and killed for their skins and furs. Owing to the high prices now obtained for rabbit skins, the trapping of rabbits is taking place right through the central division of New South Wales, and, to show the extent of this business, I wish to read an extract from the last issue of the *Peak Hill Express*. Peak Hill is a farming and mining town in my electorate, which, though not large, is fairly prosperous—

As furnishing some idea of the ready money put into circulation in Peak Hill and district by means of the rabbit industry, it might be mentioned that during the past month Mr. W. Roach purchased 16,441 lbs., representing about 128,197 rabbit skins, for which he paid £638 rs. 10d. Messrs. F. and J. McAtamney, on an average, paid away £100 a week during the past seven weeks. There are, also, several other big buyers in town, so that it is practically safe to say fully £2,000 was paid to rabbit trappers about Peak

Hill during May. There are few other industries at present showing a better turnover, but, will it last?

Peak Hill is in the same belt of country as Narrromine, Parkes, Forbes, Grenfell, and other towns, where the same traffic is taking place. The men engaged in the industry are not, as the honorable member for Robertson would have us believe, ne'er-do-wells, who are a nuisance to the settlers because of their thievish proclivities, but respectable working men; while persons of means are also going into it. I was told the other day, by a fairly representative settler in my electorate, that, during the past six months, he had been trapping rabbits on his land to save his crops, and received more for the skins than he had obtained for his wheat the previous year. Therefore, it is a mistake to suppose that the rabbits cannot be dealt with commercially, or that to deal with them commercially means the perpetuation of the pest. Every rabbit killed means a reduction of the pest, and there should be no antagonism between those engaged in the rabbit industry and the pastoralists who wish for the destruction of the rabbits. I unhesitatingly say that the rabbit pest has assumed such serious proportions that, if it could be wiped out by any reasonable means, the Commonwealth would benefit more greatly than it can benefit by the presence of the rabbits in Australia. I protest against the suggestion that those who are endeavouring to turn the rabbits to commercial advantage are disregardful of the best interests of the Commonwealth, and that they are actuated by unworthy motives in objecting to the introduction of disease. I think that this discussion will result in imparting a great deal of useful information to the public, and that it will have a beneficial influence generally. If the rabbits are to be kept within reasonable bounds, wire netting must be largely employed, and strychnine, phosphorus, and arsenic must also be used. Where land is held in comparatively small areas, the pest can be kept under, but great difficulty must be experienced by large land-holders, and by those whose properties are contiguous to unoccupied Crown lands which have become overgrown with scrub, and practically useless, except as a breeding ground for pests. The large holdings should be subdivided, and the smaller land-holders should use wire netting to enclose their properties. I do not think it possible to

introduce any disease that will entirely sweep away the rabbits. The most effective way of coping with the difficulty will be to assist the land-holders by giving them wire netting on easy terms. The settlers do not want the State Government to provide the netting for nothing, but, as has been pointed out, the erection of wire netting fences is very costly, and many land-holders are unable to provide the ready money necessary to enable them to purchase the material. If the Government of New South Wales followed the example of the Governments of South Australia and Queensland in the direction of assisting settlers, much good work could be done. In the meantime, it is our duty to safeguard the community against the introduction of a disease which might prove a greater curse than the rabbit pest.

Mr. LONSDALE (New England) [8.50].—This is a very important matter. The honorable member for Canobolas stated that the signatories of the petitions presented by him were not opposed to the experiments being carried on, but merely desired that they should be conducted under proper supervision. If the petitions were like the resolution he read to the House, they must have been directly opposed to the experiment under any conditions.

Mr. BROWN.—I said that the persons who were protesting were not opposed to any reasonable experiment, but they wished to be safeguarded against the introduction of diseases which might prove a worse curse than the rabbits.

Mr. LONSDALE.—The honorable member gave us to understand that the petitioners were not opposed to the experiments, but desired that they should be carried on under supervision, whereas the resolution he read was entirely opposed to any kind of experiment. The difference is very important. I believe that the introduction of a certain virus among the rabbits may result in their destruction within limited areas, but I do not think it possible to disseminate amongst them a disease which will sweep through the country like a fire, and destroy every rabbit in it. I do not see any objection to the experiments being carried out under proper supervision. The New South Wales Government are to be commended for having enlisted the services of the very highest local authority—

Sir WILLIAM LYNE.—The Federal Government did that.

Mr. LONSDALE. — Then the credit belongs to them. The New South Wales Government asked the other State Governments whether they had any objection to the experiments being entered upon, and so far as I am aware, no exception was taken to the proposal. If the experiments are conducted under proper supervision, there can be very little danger. If Broughton Island is to be selected as the locality for testing the virus, the experimentalists should be permitted to go beyond the four walls of their laboratory, and subject the virus to a practical test where the rabbits have made their burrows. The discussion upon the motion has turned principally upon the question as to which of two industries is entitled to the more consideration. The rabbit trapping industry has been spoken of as being of considerable importance, but as the rabbits are extending they are endangering two of the staple industries of the Commonwealth. Therefore it becomes a question whether we should foster the rabbit industry at the expense of the others, or whether we should show greater consideration for two of our greatest wealth-producing industries than for one which has no special value from a national stand-point. The rabbits have reached the district which I represent, and many small land-holders find it very difficult to comply with the requirements of the Stock Boards. They have been called upon to destroy all cover for rabbits, not only upon their own properties, but upon the adjoining roads. They have appealed to the Law Courts, but have been told that there is no means of escape, that the law requires that they should destroy everything that forms a cover for rabbits, whether upon their own property or upon the roads alongside.

Mr. WILSON.—Surely that is a fair thing.

Mr. LONSDALE.—It may be fair enough, but I am pointing out how costly it is to deal with the pest. If it were possible to introduce a disease that would destroy all the rabbits at one fell swoop, and at the same time prove harmless to human or other animal life, it would be a grand thing. I do not think that it is possible to bring about any such result, but we should not stand in the way of any experiments that may be directed to that end. We have been told that rabbits have been preserved as game, and have proved very

valuable in some of the older countries. That is because of the denser populations there, and if we could increase our population, as the Prime Minister has some dreamy notion of doing, the rabbits might be turned to considerable advantage here. I have no sympathy with those who seem to think that because men are reduced to trapping rabbits they are criminals. There are many criminals living in higher circles, but they are clever enough to cover up their ill-deeds.

Debate (on motion by Mr. MALONEY) adjourned.

MILITARY CANTEENS BILL.

Motion (by Mr. MAUGER) agreed to—

That he have leave to introduce a Bill for an Act relating to military canteens.

Bill presented, and read a first time.

PAPER.

Sir WILLIAM LYNE laid upon the table the following paper:—

Digest of the evidence given before the Tariff Commission in reference to—

- (a) Spirits and the distillation of spirits.
- (b) The wine industry of Australia.
- (c) Industrial alcohol.

Ordered to be printed.

AUSTRALIAN INDUSTRIES PRESERVATION BILL.

SECOND READING.

Sir WILLIAM LYNE (Hume—Minister of Trade and Customs) [9.5].—I move—
That the Bill be now read a second time.

Honorable members will recollect that in November of last year I moved the second reading of a Bill having a similar object to the measure which is now before them. This, however, is not the same Bill. In one or two particulars it is, if I may say so, slightly more drastic than was its predecessor. It is not a long measure, and, therefore, I shall not occupy much time in explaining its provisions. But I think it will be recognised by honorable members that it is a rather important Bill, and one likely to command, not only their attention, but that of a large section of the public. Last night I was reminded by the deputy leader of the Opposition that he would like to hear some reasons advanced why this Bill had been introduced. Before I resume my seat I shall endeavour to supply some of those reasons. In the first place, there are many persons who claim that legislation of this character is not re-

quired in Australia. I venture to say that if they will read the results which have followed the formation of the gigantic trusts which exist in other parts of the world to-day—

Mr. WILKS.—In protectionist America.

Sir WILLIAM LYNE.—Yes, in protectionist America, and which will be created in protectionist Australia if action is not taken to prevent it. This Bill aims at preventing monopolies. If such a measure had been enacted in the United States early in the history of that country, there would not be the huge monopolies which exist there to-day. It is well, therefore, that we should deal with this matter at an early stage in our national life, because the Commonwealth is destined to make very rapid strides. If honorable members have taken the trouble to read the attempts which have recently been made to cope with certain monopolies in the United States, they must admit that it would be a sorry thing indeed if similar monopolies were created in Australia. This is not a question of free-trade or protection, but of whether capital shall be allowed to be accumulated to such an extent and applied so that it can dominate not only persons and companies, as it does in America, but it is alleged even the Senate of that country.

Mr. WILKS.—Corruption.

Sir WILLIAM LYNE.—I do not know anything about corruption so far as America is concerned, and I certainly do not for one moment imagine that there is any corruption to be found in our Senate.

Mr. CONROY.—Corrupt as the United States Congress has been, it has never dared to bring forward a Bill of this nature.

Sir WILLIAM LYNE.—If the honorable and learned member will allow me the opportunity, I shall tell him what the legislation of the United States during the past few years has been.

Mr. CONROY.—That legislation has encouraged the formation of trusts there, and so will this Bill.

Sir WILLIAM LYNE.—I am sure that the honorable and learned member will give us credit for introducing a measure which is not intended to create trusts, but to enable us to deal with them.

Mr. CONROY.—I am sorry that it will have exactly the opposite effect.

Sir WILLIAM LYNE.—We do not think so. The Bill is divided into three parts, the first of which, however, is

immaterial. It is intended to deal with those who, by the accumulation of capital, do anything to injure the public by restraint of trade. The second part of the Bill attempts to deal with the question of monopolies, and the third with the very important matter of dumping, which is a curse to any country. The main object underlying these three divisions is to protect the manufacturer, the employé, and the public. Part I. of the measure is of a preliminary character, and is unimportant. Part II. relates to the repression of monopolies, and to attempts at restraint of trade. Clause 4 sets out—

1. Any person who wilfully, either as principal or agent, makes or enters into any contract, or is a member of or engages in any combination to do any act or thing, in relation to trade or commerce with other countries or among the States—

(a) in restraint of trade or commerce to the detriment of the public; or

(b) with the design of destroying or injuring by means of unfair competition any Australian industry, the preservation of which in the opinion of the jury is advantageous to the Commonwealth, having regard to the interests of producers, workers, and consumers,

is guilty of an indictable offence.

Penalty: Five hundred pounds, or one year's imprisonment, or both; in the case of a corporation, £500.

2. Every contract made or entered into in contravention of this section will be absolutely illegal and void.

Mr. HENRY WILLIS.—Oh, dear.

Sir WILLIAM LYNE.—The honorable member may laugh, but the matter is a very serious one.

Mr. HENRY WILLIS.—What will the consumers think of the Minister's action in putting up the price of goods?

Sir WILLIAM LYNE.—Commodities are cheaper now than they were under free-trade in New South Wales. Clause 4 must be read in conjunction with clause 5, which provides—

1. Any foreign corporation, or trading or financial corporation formed within the Commonwealth, which wilfully, either as principal or agent, makes or enters into any contract, or engages in any combination to do any act or thing—

(a) in restraint of trade or commerce within the Commonwealth to the detriment of the public, or

(b) with the design of destroying or injuring by means of unfair competition any Australian industry the preservation of which in the opinion of the jury is advantageous to the Commonwealth, having due regard to the interests of producers, workers, and consumers,

is guilty of an indictable offence.

Penalty: Five hundred pounds.

2. Every contract made or entered into in contravention of this section shall be absolutely illegal and void.

Honorable members will note that clause 4 deals with the restraint of Inter-State trade. To-day I heard one honorable member declare that it is not competent for the Commonwealth to deal with this question as between the States. I have obtained the opinion of the Crown Law officers upon the matter, and they hold that the Constitution does confer this power upon us.

Mr. DUGALD THOMSON.—Did not the honorable member refer to trade within the States?

Sir WILLIAM LYNE.—No. The honorable member to whom I am referring said that we could not deal with the individual in a State.

Mr. CONROY.—That is so.

Sir WILLIAM LYNE.—But we can deal with a corporation. If any honorable member disputes that, the Attorney-General will no doubt express his opinion upon the matter.

Mr. McCAY.—We have the power under the corporation clause of section 51.

Mr. ISAACS.—The honorable and learned member for Corinella has rightly referred to the other portion of the section.

Mr. McCAY.—This is a very ingenious application of that power.

Mr. CONROY.—It is only a lawyer's application.

Sir WILLIAM LYNE.—The two clauses which I have quoted deal with the question of restraint of trade. The Commonwealth is going as far as it possibly can in this regard. Clause 6 contains a definition of what is unfair competition. That provision is simply intended for the guidance of those who have to deal with and to administer this Act. Clause 7 is a very important one. It reads as follows:—

1. Any person who wilfully monopolizes or attempts to monopolize, or combines or conspires with any other person to monopolize, any part of the trade or commerce with other countries or among the States, with the design of controlling, to the detriment of the public, the supply or price of any merchandise or commodity, is guilty of an indictable offence.

Penalty: Five hundred pounds, or one year's imprisonment, or both; in the case of a corporation, Five hundred pounds.

2. Every contract made or entered into in contravention of this section shall be absolutely illegal and void.

Mr. CONROY.—I can show the honorable gentleman a law on that very point which is 600 years old.

Sir WILLIAM LYNE.—Probably the law has improved since then. Honorable members will see that in the case of a corporation the penalty is £500.

Mr. FISHER.—There is no imprisonment provided for them.

Mr. GLYNN.—I do not know how the Government are going to arraign a corporation.

Sir WILLIAM LYNE.—I do not know either. The penalty in the case of a corporation is £500, but while there is no provision for imprisonment, it should not be difficult to recover the penalty.

Mr. WATSON.—For some of the acts which might be committed by a corporation £500 would be a very small penalty.

Sir WILLIAM LYNE.—I quite admit that. The penalty in the case of individuals is £500, or one year's imprisonment, or both, and it may possibly occur to honorable members that in comparison the penalty in the case of a corporation is too small.

Mr. DUGALD THOMSON.—Is the honorable gentleman criticising his own Bill?

Sir WILLIAM LYNE.—I am not; but I think it is only fair to point out the difference in the punishment provided in the two cases. We know very well that we cannot imprison a corporation, and it may possibly be thought advisable that in that case the penalty provided for should be increased. I wish to impress upon honorable members that the clause I have just read is taken from the Sherman Act of the United States, section 2. This is the provision contained in that Act:—

Every person who shall monopolize or attempt to monopolize or combine or conspire with any other person or persons to monopolize any part of the trade or commerce among the several States, or with foreign nations, shall be deemed guilty of a misdemeanour, and on conviction thereof shall be punished by fine not exceeding Five thousand dollars, or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court.

Mr. LEE.—Is that Act effective in America?

Sir WILLIAM LYNE.—It will be effective as far as their actions here are concerned. I shall quote some cases from America later on. I am sure honorable members will permit me to proceed without interruption, because this is a very important Bill, and I desire to

give the clearest explanation of it that I can give.

Mr. DUGALD THOMSON.—Will the honorable gentleman explain the variation in this Bill from the Sherman Act?

Sir WILLIAM LYNE.—I have no wish to go into details at the present time, but I have read the two provisions, and honorable members will be able to see the variation between them. Clause 8 provides that—

1. Any foreign corporation, or trading or financial corporation formed within the Commonwealth, which wilfully monopolizes or attempts to monopolize, or combines or conspires with any person to monopolize, any part of the trade or commerce within the Commonwealth, with the design of controlling, to the detriment of the public, the supply or price of any merchandise or commodity, is guilty of an indictable offence.

Penalty: Five hundred pounds.

2. Every contract made or entered into in contravention of this section shall be absolutely illegal or void.

Mr. McCAY.—Clause 8 is less stringent than is the Sherman Act.

Sir WILLIAM LYNE.—I said just now that the Bill is less stringent in some respects than is the Sherman Act, but honorable members will, I think, agree that it is quite stringent enough. Clause 9 provides that—

Whoever aids, abets, counsels, or procures, or by act or omission is in any way, directly or indirectly, knowingly concerned in or privy to—

(a) the commission of any offence against this Part of this Act; or

(b) the doing of any act outside Australia which would, if done within Australia, be an offence against this Part of this Act,

shall be deemed to have committed the offence.

Penalty: Five hundred pounds, or one year's imprisonment, or both; in the case of a corporation, Five hundred pounds.

Clause 10 is a sweeping clause, and is likely to be considered a drag-net sufficiently wide to take in a good many offenders. It provides that —

The Attorney-General, or any person thereto authorized by him, may institute proceedings, in any competent court exercising Federal jurisdiction, to restrain by injunction the commission or continuance of any breach or contravention of this Part of this Act.

Mr. CONROY.—I assume that the Attorney-General will be prevented from practising if that clause is passed, otherwise he will be in a position to blackmail these people to any extent.

Sir WILLIAM LYNE.—I am sure that the honorable and learned member will not suggest that.

Mr. CONROY.—As he knows perfectly well, I am not suggesting that the present Attorney-General would do so, but future Attorneys-General might not be so scrupulous.

Sir WILLIAM LYNE.—The next clause provides that—

1. Any person who is injured in his person or property by any other person, by reason of any act or thing done by that other person in contravention of this Part of this Act, may, in any competent court exercising Federal jurisdiction, sue for and recover treble damages for the injury.

That is taken from section 7 of the Sherman Act. Then sub-clause 2 provides that—

2. No person shall, in any proceeding under this section, be excused from answering any question put either *viva voce* or by interrogatory, or from making any discovery of documents, on the ground that the answer or discovery may criminate or tend to criminate him; but his answer shall not be admissible in evidence against him in any criminal proceeding other than a prosecution for perjury.

That, honorable members will admit, is also a fairly stringent clause. The sections of the Sherman Act from which these clauses are taken read thus—

4. The several circuit courts of the United States are hereby invested with jurisdiction to prevent and restrain violations of this Act; and it shall be the duty of the several district attorneys of the United States in their respective districts, under the direction of the Attorney-General, to institute proceedings in equity to prevent and restrain such violations. Such proceedings may be by way of petition setting forth the case, and praying that such violation shall be enjoined or otherwise prohibited. When the parties complained of shall have been duly notified of such petition, the Court shall proceed as soon as may be to the hearing and determination of the case, and pending such petition, and before final decree, the Court may at any time make such temporary restraining order or prohibition as shall be deemed just in the premises.

7. Any person who shall be injured in his business or property by any person or corporation by reason of anything forbidden, or declared to be unlawful, by this Act, may sue therefor in any circuit court of the United States, in the district in which the defendant resides, or is found, without respect to the amount in controversy, and shall recover threefold the damages by him sustained, and the cost of suit, including reasonable attorney's fee.

Honorable members will see that there is very strong legislation in the United States, and the clauses I have just read are adopted from that legislation.

Mr. CONROY.—The trouble is that that legislation has only increased the evil by putting the business into the hands of the big men, and wiping out the small men.

Sir WILLIAM LYNE.—It has not had that effect, because at the present time in the United States prosecutions against big men are going on. I have dealt with the restraint of trade and monopoly of provisions. I come now to the part of the Bill which is intended to prevent dumping. Under this part of the measure it is intended to create a Board of three persons. Under clause 15 it will be found that provision is made for the creation of a Board to deal with these matters. If a report is made to the Comptroller-General that certain things are being done which amount to dumping, he is to make a report to the Minister, and the Minister, if he sees fit, is to have the power to appoint a Board to deal with the matter. I should have preferred the appointment of a permanent Board, but in the discussion of the matter that was found impossible, because it might be necessary to deal with something which a Board of a permanent character would know but very little about.

Mr. DUGALD THOMSON.—Are these Boards, then, to be composed of persons in the trade?

Sir WILLIAM LYNE.—Yes.

Mr. DUGALD THOMSON.—They may be competitors of the persons accused.

Sir WILLIAM LYNE.—We shall have to avoid that as far as we can. When the measure was being drafted in the first instance the intention was to obtain the services of a Judge. Some of the Judges were appealed to by the Attorney-General in connexion with the matter, but it was pointed out that it might be unwise for a Judge to undertake to decide such matters, as it would not be a judicial proceeding, and would perhaps be one of those things which it would be very inconvenient for a Judge to deal with. When we are considering the measure in Committee we shall be able fully and freely to discuss the question, and decide whether we should constitute a Board, or should secure the services of a Judge to deal with these matters.

Mr. FISHER.—I suppose that the persons appointed to deal with such matters would occupy honorary positions?

Sir WILLIAM LYNE.—If a Judge were appointed the work would form a portion of his duty, but I do not think we could expect private persons to act as members of such a Board, and give their time in dealing with such matters without a fee. I refer honorable members to the following

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apply to them accordingly. As honorable members know, the Customs Act gives the Minister great power, and I have been told by legal authorities that he has now sufficient power, if he likes to exercise it, to prohibit the importation of harvesters or any other machinery; but, as I do not think that it was intended by Parliament that the Minister should exercise such power, I shall decline to exercise it until I am clothed with the powers provided for in the Bill now before the House.

Mr. McCAY.—Has the honorable gentleman been asked to act under the section of the Customs Act to which he refers?

Sir WILLIAM LYNE. — It has been suggested to me that I should do so, but I have declined. Clause 17 provides the methods which the Board shall adopt in investigating and reporting.

Mr. DUGALD THOMSON.—Has the Minister drawn any portion of the Bill from another Act?

Sir WILLIAM LYNE. — I shall read presently what has been done in Canada, where the Ministry and Parliament have taken action to prevent unfair dumping, such as is going on here. The provisions of the Bill were not taken exactly from the Canadian Act. They are practically the same in effect, but the wording is not the same. I have in my possession a full copy of the Canadian and United States legislation on this subject, which I shall lay on the table.

Mr. McCAY.—I thought that the Government were going to print and circulate it.

Sir WILLIAM LYNE. — It must be printed, if it is to be circulated; but it is rather lengthy. In all cases of prohibition, the report of the Board must be laid before both Houses of the Parliament within seven days after the issuing of a proclamation, or, if the Parliament is not then sitting, within seven days of the meeting of the next Parliament.

Mr. DUGALD THOMSON.—What happens if Parliament refuses to ratify the prohibition?

Sir WILLIAM LYNE. — Parliament can refuse to allow the prohibition.

Mr. DUGALD THOMSON.—But the Minister may have already acted.

Sir WILLIAM LYNE.—If it is not already provided in the Bill, the Attorney-

General will, no doubt, draft a provision, enacting that Parliament may upset what the Minister has done. There can be no other object, except the securing of publicity, for bringing the matter before Parliament than that honorable members may have an opportunity to express their opinions in regard to these transactions. I have the names of only a few of the trusts in other parts of the world, and it is hard to pick out, from the vast amount of information on the subject, exactly what it is most desirable to give to the House and to the public. I would point out, however, that the International Harvester Trust has under that name a capital of 120,000,000 dollars; the Standard Oil Trust a capital of 97,000,000 or 98,000,000 dollars; and the Steel Trust a capital of 2,000,000,000 dollars, or £400,000,000.

Mr. CONROY. — There is a steel trust here which is going to get extra duties because its shares have jumped up under some promise made by the Minister.

Sir WILLIAM LYNE.—I know nothing about it.

Mr. CONROY. — The Minister has promised duties on steel for something.

Sir WILLIAM LYNE.—The honorable and learned member is not fair in saying that.

Mr. CONROY.—The Minister must have done so. Otherwise there would not have been a jump up in the shares.

Sir WILLIAM LYNE. — Honorable members know from my utterances last session what I am in favour of in connexion with the iron industry. I have said nothing more to any one privately than has been stated by me more than once in my public speeches.

Mr. CONROY.—Nonsense! The shares have jumped up from £250,000 to nearly £2,000,000.

Mr. KENNEDY. — The honorable and learned member must have been "speaking."

Mr. CONROY.—No, unfortunately. No one told me.

Mr. SPEAKER.—I have had occasion, twice or thrice, to ask the honorable and learned member to discontinue these frequent excited interjections, and to wait until he has an opportunity to say in a speech what he wishes to say.

Sir WILLIAM LYNE.—The Consolidated Tobacco Company has, so far as I have been able to ascertain, a capital of 186,000,000 dollars, though it is difficult to follow through the long lists of companies which hang together under different names. I have a report here which shows the nature of that trust, and I want those who say that there is no danger from it to listen to the list of companies associated with it. I believe that the actual capital of the trust would appear more than I have stated, if the attachment of certain other companies to it could be demonstrated. The Consolidated Tobacco Company was incorporated at Trenton, New Jersey, in 1901, and is composed of the American Tobacco Company; the American Snuff Company; the Havana-American Company; the American Cigar Company; the Murai Brothers' Company of Japan; the Mustard Company of Shanghai, China; Blackwell's Bull Durham Tobacco Company; the S. Anargyros (Turkish cigarettes); the American Tobacco Company of Canada; the S. Jamatzy Company of Dresden; the American Tobacco Company of Australia. I think that great injury is being done by the linking of the Australian companies to this trust, which, under the name of Kronheimer Limited, controls the tobacco manufacture, output, and sales of Australia. If honorable members care to go more fully into details concerning these immense companies than I am able to do to-night, they will see that it is about time that some law was passed to enable this Parliament and Government to deal with such monopolies.

Mr. FRAZER.—Does the Minister think that the Bill will burst up the tobacco combine here?

Sir WILLIAM LYNE.—I am not prepared to say that it will do that, but the probabilities are that its provisions will enable such an investigation to take place in the courts that it will assume a different aspect.

Mr. FRAZER.—A Royal Commission has recommended the nationalization of the tobacco industry here.

Sir WILLIAM LYNE.—This measure will not prevent the nationalization of the tobacco industry. If the measure fails to achieve its object, or even if it succeeds in doing so, it will be perfectly competent for this Parliament to nationalize the tobacco industry. In order to show the ex-

tent of the operations of the tobacco monopoly, I might inform honorable members that last year 2,045,394 lbs. of manufactured tobacco was imported into Australia, of which 1,319,728 lbs. came from the United States. Of unmanufactured tobacco, we imported last year 5,371,534 lbs., of which 4,409,915 lbs. came from the United States. The total importations of tobacco, therefore, amounted to, approximately, 7,500,000 lbs. At one time, tobacco was grown to a considerable extent around about Tumut and the Upper Murray, but, at present, very little is being cultivated. I cannot ascertain the quantity that is produced now in comparison with that grown a few years ago, but I believe that the operations of the trust are proving injurious to the industry in Australia, and that they will utterly destroy it.

Mr. LEE.—Is not the local tobacco-grower protected under the Tariff?

Sir WILLIAM LYNE.—Yes, to some extent, but what can the grower do against a large combine such as that now operating? The tobacco trust has been formed outside of Australia, and we are powerless at present to deal with it, whereas if we pass this measure, we shall be able to exercise some restraining influence upon it.

Mr. CAMERON.—What are our smokers going to do—will they not smoke tobacco?

Sir WILLIAM LYNE.—Of course they will. It is not intended to put an end to the production of tobacco in Australia. If the tobacco trust receives a check and finds that it cannot with advantage introduce such large quantities of imported tobacco, both manufactured and unmanufactured, the local production of tobacco must increase.

Mr. CAMERON.—But the people will not smoke the local article.

Sir WILLIAM LYNE.—The honorable member has not the remotest idea of the extent to which local tobacco is consumed. I have heard it complained that the tobacco leaf grown in certain districts contains too much saltpetre, but I have been told that if care is taken in the selection of the tobacco, and of the proper land upon which to grow it, we can produce as good tobacco as can be grown in any part of the world.

Mr. CAMERON.—Has the Minister smoked any locally-grown tobacco?

Sir WILLIAM LYNE.—Yes, I have, and I am still alive to tell the tale. The

tobacco monopoly is gradually extending its operations, and I think that some such measure as that now introduced is necessary to enable us to cope with it.

Mr. CAMERON.—How does the Minister propose to deal with the Standard Oil Trust?

Sir WILLIAM LYNE.—In a few minutes, I shall tell the honorable member how we propose to deal with the Standard Oil Trust and also with the Steel Trust. The two trusts mentioned stand in exactly the same position towards Australia as does the American-Australian Tobacco Trust. They are beyond our control to a certain extent, because they have been organized in the United States. We shall, however, under the Bill, be able to prevent them from bringing their manufactures here to unduly interfere with our own industries.

Mr. CAMERON.—But we do not produce kerosene?

Sir WILLIAM LYNE.—We have produced it in New South Wales. A company with a very large capital—I think that the nominal capital amounts to £600,000 or £700,000—is building a railway from near Clarence siding to shale deposits some miles distant at a cost of £80,000. The manager told me that if the company were protected he had not the slightest doubt as to the success of their venture, as they have enough shale to last them for any reasonable time. As many honorable members are aware, the Blue Mountains cover one vast bed of shale, which I hope will be turned to some profitable account.

Mr. DUGALD THOMSON. — Would the Minister force the well oil up to the price of shale oil?

Sir WILLIAM LYNE. — If there is plenty of competition, I do not think the price will be forced up. Now I wish to deal with the Steel Trust. That gigantic combination has a capital of £400,000,000. In a report which I have before me it is stated:—

It controls through ownership of stock and “community of interest,” many other important iron and steel industries, such as the Bethlehem Steel Co., the Cambria Steel Co., the American Bicycle Co., and the American Can Co., which added about \$100,000,000 to the capital. By its “pools” and agreements with competing firms dealing in steel, steel plates, steel sheets, steel billets, wire rope, &c., about \$200,000,000 more is under control. This makes the Steel Trust master of nearly \$2,000,000,000.

Until I investigated this matter, with a view to affording honorable members some information, I had no idea that this trust had behind it such an immense amount of money. On a previous occasion, I quoted figures showing the value of the iron, steel, machinery, and other manufactures of metal imported into the Commonwealth. Perhaps I may be permitted to repeat them. In 1899 we imported iron and steel and manufactures of metal to the value of £6,061,157. In 1900 we imported £8,045,673 worth; in 1901, £8,377,788 worth; in 1902, £8,142,154 worth; in 1903, £7,209,259 worth; in 1904, £6,989,876 worth, and in 1905, £7,140,825 worth.

Mr. McCAY.—Do those returns embrace the value of all kinds of manufactures of iron?

Sir WILLIAM LYNE.—Yes. From Canada we received imports valued at £97,520, and from the United States iron and steel products valued at £1,599,769.

Mr. WILKS.—And the balance came from Great Britain?

Sir WILLIAM LYNE.—No; it came principally from Belgium. The imports for 1905 are given in the following table:—

IMPORTS OF STEEL AND IRON (IN ALL FORMS)
DURING 1905.

Article	Value of Import, 1905.
	£
Agricultural Implements and Machinery—	
Dutiable	189,040
Reapers and Binders	14,549
Harvesters	85,114
Free	43,455
Electrical Appliances	205,726
Anchors	1,551
Arms—	
For Army and Navy	33,338
Revolvers and Pistols	2,932
Rifles, n.e.i., and Shot Guns	48,350
Rifles, Military and Match	5,049
Other	3,802
Bicycles and Parts	141,037
Cutlery	126,997
Chains	40,387
Iron and Steel—	
Bar, Rod, Angle, and Tee	339,058
Galvanized Plate and Sheet	902,492
Girders, Beams, &c.	41,634
Hoop	41,490
Ingots, Blooms, Slabs, &c.	13,072
Pig	104,422
Scrap	38,050
Rails and Railway Materials	206,001
Wire Rope (Metal Cordage)	62,619
Machines—	
Sewing	117,493
All kinds other than Sewing	1,238,236

Manufacture of Metals—		£
Axles and Springs	73,150	
Bolts and Nuts	38,752	
Mixed Metalware	16,561	
Nails, Horseshoe	11,334	
Nails, other	60,814	
Manufactures of Metals, n.e.i. ...	563,900	
Pipes and Tubes (Iron and Steel)	258,678	
Plated Ware and Plated Cutlery...	153,760	
Tanks	13,041	
Wire, Iron, and Steel	327,464	
Wire, Barbed	71,406	
Wire Netting	335,197	
Wire, n.e.i.	57,389	
Manufacture of Metals, Free ...	319,136	
Surgical Instruments	67,017	
Tin Plates	215,011	
Machine Tools	84,837	
Tools of Trade	277,627	
Iron and Steel—		
Plate and Sheet	149,767	
Total	£7,140,825	

Note.—As regards the following items, metals other than iron, viz., copper, tin, zinc, &c., must necessarily form a part, but there are no means of distinguishing such:—

Electrical appliances,
Machinery,
Mixed metalware,
Plated ware,
Tin Plates,
Metals, n.e.i.

Department of Trade and Customs,
Melbourne, 5th June, 1906.

In connexion with the great American Steel Trust, of which the Massey-Harris Trust is an offshoot, it is fitting that I should mention that we imported last year £85,114 worth of harvesters, other dutiable agricultural implements to the value of £189,040, reapers and binders to the value of £14,549, and other implements free of duty, to the value of £43,455. Altogether we imported agricultural machinery to the value of £332,156, of which the United States sent us £228,243 worth, and Canada £39,324. The trust which is at present trying to grasp our trade and destroy our manufactures sent us agricultural machinery valued at upwards of £250,000. In order to show how the trust is operated, I should like to quote a declaration which was submitted to the Tariff Commission. The declaration is as follows:—

The avowed intention of one of the great American Trusts, viz., the International Harvester Trust, represented here under the name of the International Harvester Company, to wipe out the Australian agricultural implement manufacturer in Australia, is clearly shown in the sworn declaration by Mr. Edward Coxon, of Numurkah, which was put in evidence before the

Tariff Commission by Mr. H. V. McKay. Mr. Coxon declared as follows:—

1. That about three months ago, in my office in Numurkah, I was interviewed by Mr. Beale, one of the travelling representatives of the International Harvester Company of America, and that the following conversation took place:—

Mr. Beale said, "The International Harvester Company is determined to get hold of the trade in harvesting machinery, and it's only a matter of a little time till we knock out all the local men."

I said, "You can't beat McKay."

"Yes," he replied, "We'll beat McKay. We have unlimited money behind us, and even if we worked at a loss for three years, we are bound to beat him. Say that McKay's agent at Numurkah is getting the trade, we shall put on two men to beat him. If they don't succeed we shall put on three, or a dozen if need be. We don't care what money it costs, we shall secure the trade. McKay had an offer from us to buy him out, and he will live to regret the day that he refused that offer. We are going to close him up."

2. I was not at that time, and am not now, agent for H. V. McKay, who was the person alluded to.

And I make this solemn declaration, &c.

Mr. CONROY. — I could get a Domain dossier to make a declaration that that statement is a pure invention.

Sir WILLIAM LYNE.—That may be so, but I am sure honorable members will believe Mr. Coxon's statement. When I tell honorable members that this gigantic steel trust has £400,000,000 behind it they will not wonder that the agents who come here are well paid, and that the trust is endeavouring to sweep our manufacturers out of its road. What would happen if it were allowed to monopolize our trade? The farmers would have to pay through the nose. If it captures our trade and deals with it as it has done, in conjunction with Mr. McKay, in the past, and puts up the price of harvesters, we must look out for squalls, so far as the farmer is concerned, and for destruction so far as our manufactures are concerned. Therefore, I think that it is high time that we took action, such as that contemplated in connexion with this measure.

Mr. DUGALD THOMSON.—The Minister mentioned the total quantity of iron and steel imported—does he intend to stop all importations of iron and steel under the Bill?

Sir WILLIAM LYNE.—No; but I believe that if it had not been for the dread of the American steel trust on the part of those who were prepared to establish the iron and steel industry in our midst, we should have our own iron works by this

time. Although we should probably have found it necessary to import some iron and steel, we should not have been called upon to introduce manufactures of metal valued at £7,000,000 or £8,000,000, according to the year.

Mr. LEE.—Does the Minister intend to prevent that sort of thing under this Bill?

Sir WILLIAM LYNE.—If a trust comes under the provisions to which I have referred, either by reducing the wages, by destroying our manufactures, or by generally injuring the public, this Bill will no doubt take effect.

Mr. LEE.—If iron works are started in New South Wales, will the Minister stop the iron trust from dumping its goods here?

Sir WILLIAM LYNE.—If it injuriously interferes with and disorganizes the trade of Australia most certainly I shall. I think that we have been silently tolerating that sort of thing long enough. It is about time that we took steps to preserve our own country, which has already been devastated sufficiently through the want of a better Tariff. I do not agree with the leader of the Opposition that the cry of "Australia for the Australians" is an unpatriotic one. I believe in that cry. I wish to do all that I can to develop the industries of the Commonwealth. There is no nation in the world which has become great without the aid of a protective Tariff. But no Tariff, unless it were absolutely prohibitive, would prevent these wealthy trusts, with millions of capital behind them, from placing their goods upon the Australian market. They could ride through any Tariff that we might frame. I now wish to say a word or two in reference to the Colonial Sugar Refining Company. There are some honorable members who know more about that company than I do. Only the other day I had a long conversation with one of its directors in Sydney, and I am assured that the company hold that it is now supplying the public with cheaper sugar than it did previously. I have asked for a certain statement in writing, showing how that can be the case, seeing that, as far as I can gather, the price of colonial sugar is within about 15s. per ton of the price of the imported article, which has to pay a duty of £6 per ton.

Mr. DUGALD THOMSON.—Does not the company pay duty upon its refined sugar?

Sir WILLIAM LYNE.—It pays all that it is called upon to pay under our excise

laws. When the Sugar Bounty Bill was under consideration last year, I was informed that the Colonial Sugar Refining Company were reaping the benefit of the bulk of the bounty. That was the statement of the sugar-growers. Whilst the Bill was going through the House I sent for the representative of the company in Melbourne to ascertain whether that statement was true, but I could not get the information which I desired.

Mr. DUGALD THOMSON.—Did not the Minister say that the grower and the refiner might halve the duty?

Sir WILLIAM LYNE.—But I did not say that they should do so, as far as I can remember. I do not understand why the price of colonial sugar is being kept up to its present standard. The object of granting the additional bounty for the production of sugar was to enable the growers to pay the extra wages necessary to employ white labour without increasing the price of cane to the company, so that the latter should not be called upon to increase the price of the manufactured article to the consumer. If the company obtains a portion of that bounty, I say that that was not the intention of this Parliament.

Mr. GLYNN.—It is a pity that the Minister did not listen to that argument when it was urged in the House.

Sir WILLIAM LYNE.—I listened to it, but I do not suppose that it had sufficient effect upon me.

Mr. KNOX.—Is the Minister assailing the Colonial Sugar Refining Company as a trust?

Sir WILLIAM LYNE.—I say that if it commits a breach of the provisions of this Bill, the measure will extend to that company, as well as to any other monopoly which may arise in the Commonwealth.

Mr. FRAZER.—If the Bill does not touch the Colonial Sugar Refining Company it ought to be made to do so.

Sir WILLIAM LYNE.—The Attorney-General will, I believe, assure the House that it does touch that company.

Mr. LEE.—Will this Board be able to say what price the Colonial Sugar Refining Company should pay to the cane growers? The latter claim that they do not get the advantage of the bounty.

Sir WILLIAM LYNE.—That is a matter of arrangement between the growers and the Colonial Sugar Refining Company. Personally I have no feeling against

that company, because I believe that it started operations at a time when its aid was sadly needed. Attempts to establish sugar refining works in Queensland had resulted in great failures. The company took advantage of the opportunity which then presented itself, and invested its money in the enterprise. Since then it has grown into a monopoly. The time has now arrived when we should consider whether we should not insist upon a cheaper article being given to the public. At this stage I wish to say one or two words in reference to the Australian shipping combine. Honorable members will doubtless recollect that in Queensland evidence was given before the Shipping Commission that merchants were not allowed to buy goods which were carried by any vessel outside the combine without being deprived of their rebate by the shipping companies. That sort of thing has been given effect to in the United States, and has worked very serious harm. The power of the shipping companies, if they band themselves together to ruin, or make, a port, is only paralleled by the power that is exercised by the railway companies of America. The chances are that this Bill will deal with any trust where there has been a combination to the injury of the general public. Before concluding, I wish to quote a few lines in reference to Canada. There a Tariff Commission was appointed, which travelled through a great portion of the country, and I find that—

When the Commission reached Toronto it learned that the Provincial Crown prosecutor there had discovered in Ontario seventy "combines" in restraint of trade, and instituted proceedings against many of them in the criminal courts. Owing to these exposures Mr. Porritt anticipates that there will be a clause in the new Tariff Act constituting a bureau in the Customs Department, with a lawyer at its head, for the express purpose of conducting at the public expense prosecutions of combines. . . . In the case against a number of principals and officials of beef-packing corporations associated with the American Beef Trust, charging them with combining to restrain commerce by illegally monopolizing trade, the hearing of which has occupied the attention of a Chicago court for the past five months, the judge yesterday directed the jury to return a verdict favorable to the defendants as individuals, but not in their joint capacity as corporations.

Therefore, as corporations, they were adjudged guilty: whilst as individuals they were not. I quote this to show that in Canada, as in America, Parliament is alive to the necessity of dealing with these combines.

Mr. KING O'MALLEY.—But the President sent a message to Congress declaring that that decision was a farce.

Sir WILLIAM LYNE.—The meat-packing companies of America are a huge monopoly, and if it had not been for the manner in which their methods have been exposed recently by a certain writer, I do not know how long they might have continued.

Mr. CONROY.—The statements of that writer, so far as the great meat works of Chicago are concerned, are absolutely untrue.

Sir WILLIAM LYNE.—Even though I should occupy a little more time, I desire to show again how necessary it is, in connexion with present importations to this country, that we should protect wages, and also to show the effect of the operations of combines on operatives. I find from the report of the Tobacco Commission that—

17. As to the effect of the combination on the operatives, four representatives of those engaged in the making of plugs and twist tobaccos who gave evidence were in agreement that conditions generally were worse now than before the combination. (See questions 4580, 4581, 4582, 5882, 5981, 6555, 6631, 6638, 6639, 6641, 7294, 7306.) These complaints refer to inadequate and reduced wages, the substitution of female labour for male labour at lower rates of pay than male labour, humidity of atmosphere of factories, and power of combines to dictate terms and conditions owing to the absence of competitors.

18. Explanations were given by witnesses for the combine in respect to some of these charges, but were unsatisfactory to the Commission. (See questions 5034, 7053, 7344), and inspectors gave qualified contradictions to the statements re humidity of atmosphere. (Questions 6989, 6995, 7025, and 7038.)

19. We find generally that wages have been in some instances reduced. (See question 4541, 4544, 4548, 5862, 6028, and 6029; that the number of females employed has increased. (See questions 576, 7355, and 7356); that in some cases they received less than men on similar work (see questions 5960, 5993, 6641); that the atmosphere in two of the principal tobacco factories is kept at a high state of humidity (see questions 6621, 6629, 6720, 6985, 4556, 5031, 5032, and 5033, and a return handed in, in reply to question 5034, showing an unusually high percentage of sickness amongst the employés of one of the factories); and that the lessening of the number of competing employers has placed the employés more completely under the control of the dominant employer.

I should not have troubled honorable members with that reference but that the matters dealt with are, in my opinion, of very great importance as bearing upon the reasons for the introduction of this Bill.

Mr. LEE.—Were not those effects due to the change of duties in New South Wales?

Mr. CONROY.—It is since the imposition of the duties in New South Wales that there has been such an extraordinary increase of female, as against male, labour in the trade.

Sir WILLIAM LYNE.—A short time ago, a deputation of iron-moulders assured me that the system adopted in connexion with the trade with which they are connected was, in a private way, to buy up some of the most approved ploughs and other farming implements manufactured in Australia, to test them without the knowledge of the Australian manufacturers, and then to take them away to America, where they are reproduced by this huge combination for the express purpose of exportation to Australia, with the object of destroying the local industries. That kind of thing is stated to occur in more cases than one, but I mention specially the cases in reference to which a deputation waited upon me. I have here a list showing the prices of various articles in America, and the prices at which they are distributed here. The following is the list:—

	In America.	In foreign lands.
	§	§
Wire nails ..	2.05 per 100 lbs.	1.30
Galvanized wire rope ..	9.70 per 100 ft.	3.12
Table knives ..	15.00 a gross	12.00
Farm waggon ..	65.00	39.00
Sewing machine ..	45.00	27.00
Steel rails ..	28.00 a ton	23.00
Lead ..	4.00 per 100 lbs.	2.00
Shovels ..	7.50 doz.	5.80
Washboards ..	3.00 "	1.70
Tinplate ..	4.19 per 100 lbs.	3.19
Typewriters ..	100.00	55.00
Lawn mowers ..	4.25	2.75
Borax ..	8 cents	2½ cents

Referring to the home and foreign price of Standard oil the Hon. W. H. Douglas in the House of Representatives on 6th February, 1903, said—

No one believes that the extra cost of the crude oil has warranted or justified those advances; and it is a well-established fact that the Standard pack the same oil, or a better grade (as many foreign nations protect their people against explosions by regulating the test of the oil that can be imported) in tins, then in cases, pay the freight, insurance, loading, and cartage charges, necessary commission, and sell it to the heathen at the other end of the world at from 20 to 30 per cent. less than at home.

In this connexion I make the following quotation from a statement made by the Hon. J. B. Crowley, in the House of Representatives on the 14th January, 1903:—

Mr. Charles Thulin, a Pennsylvania contractor, recently (in 1901) secured a contract to supply rails for Russia's great Siberian Railway. He asked the leading steel trust companies here for bids. They all asked him about \$35 per ton, with freight to be added. Mr. Thulin went over to England, sublet his contract to an Eng-

lish firm, and one of the same companies that had asked him \$35, plus freight here, sold the rails at \$24 a ton, delivered in England, to the English sub-contractor. After having investigated this subject for more than ten years, I have reached the conclusion that practically all your manufactured products are sold to foreigners for less than to Americans. The minimum difference is about 10 per cent. The average difference in price is probably 20 per cent., and on our really protected products about 25 per cent.

This shows that these trusts in America, with the huge capital that is behind them, are prepared to distribute goods in Australia at less than the manufactured price, and how are our local manufacturers to pay local wages and carry on their factories in the face of such competition?

Mr. LEE.—Do not the high protective duties in America prevent any one else from competing?

Sir WILLIAM LYNE.—That is not the case. I have a paper before me showing that a prosecution has been instituted by the United States Attorney-General, or the Attorney-General for the State of Ohio, against these combinations for practically enforcing the buying up of almost every small manufacturer in the United States. I forget for the moment what proportion of the total trade this huge concern has got into its own hands, but it was gradually absorbing all who were in competition with it. This is just in keeping with what was said by a man at Goulburn Valley, to the effect that Mr. McKay had been offered a price, and that if he would not take that price they were going to crush him out. In the same way, the smaller factories of the United States were offered a price by the combine, and if they would not accept it the combine proceeded to crush them out. New legislation dealing with the matter was passed in the United States in 1903, and it is now being put into operation.

Mr. LEE.—The fact is, the high protective duties of the United States shut out the competition of the world.

Sir WILLIAM LYNE.—It is the high protective duty in America that enables Americans to manufacture iron and steel. They would not have been able to do that without those duties, and would have been in the doldrums, as we are here in regard to the manufacture of iron and steel, though we have rich deposits of iron ores that could be utilized. In Canada the same state of things applied, and if it had not been for the introducing of high protective duties, and the granting of bonuses, they

would not have been able to establish their manufactures in that country.

Mr. LEE.—And they could not have built up these trusts.

Sir WILLIAM LYNE.—Trusts can be built up under free-trade. If I had the time, I could show honorable members where it is stated in the very able report which the late Mr. Seddon obtained in New Zealand, that it is not a question of monopoly under free-trade or under protection. There are monopolies even in free-trade England. In response to the request of the honorable member for North Sydney, I wish to give honorable members a brief summary of the legislation on this subject which has been passed in the United States, in Canada, and in New Zealand.

Mr. DUGALD THOMSON.—I desired more particularly to know the sources of the provisions of the Bill.

Sir WILLIAM LYNE.—I referred to them in dealing with the clauses of the measure. Referring to the legislation passed by the United States, the first Act I should mention is the Inter-State Commerce Act of 1887. The provisions of this Act relate to the rights, liabilities, and duties of common carriers engaged in Inter-State traffic, and its principal objects are to secure just and reasonable charges for transportation; to prohibit unjust discrimination in the rendition of like services under similar circumstances and conditions; to prevent undue or unreasonable preference to persons, corporations or localities; and to abolish combinations for pooling freights. This Act created the Inter-State Commerce Commission. The purpose of the Sherman Act of 1890 is to prohibit every contract or combination in restraint of trade or commerce among the several States, or with foreign nations, whether made by carriers, manufacturers, producers, or shippers, and every attempt to monopolize any part of trade or commerce, or to contract, combine, or conspire in restraint of trade. Breaches of the Act are punishable by fine not exceeding 5,000 dollars, or by imprisonment not exceeding a year, or by both. A remedy by injunction is also provided, and there is provision for confiscation of property in the course of transportation, if it is the subject of illegal contract, combination or conspiracy. Parties injured in their business or property by reason of anything declared illegal under the Act may claim treble damages. Then there is the Wilson Bill of

1894. This Act forbids unlawful restraints and monopolies by and between importers or persons or corporations engaged in importing goods into the United States, when designed to operate in restraint of trade, or to increase the market price in any part of the United States of imported articles, or of any manufacture into which such imported articles enters. The penalties and remedies under this Act are similar to those under the Sherman Act. Then comes the Expedition Act of 1903. The object of this Act is to minimize delay in litigation under the Commerce Act and Sherman Anti-Trust Act. It allows appeals direct to the Supreme Court of the United States, and gives them a right of preference over other pending litigation. Next there is the Commerce and Labour Act 1903. This Act established the Department of Commerce and Labour, and gave it power to secure full information in regard to the organization, conduct, and management of any corporation—except common carriers, subject to the Commerce Act—engaged in Inter-State or foreign commerce. Then there is the Elkin Act 1903. This Act applies specially to corporations being common carriers, and is supplemented to the Commerce Act in respect to publicity of Tariff rates and charges. It declares rebates, drawbacks, and unjust discriminations unlawful, and increases the powers of the Inter-State Commerce Commission in regard to instituting proceedings or obtaining evidence, both against carriers for the practice of unjust discrimination, and against all persons receiving rebates. No imprisonment follows any breach of this Act. The fine provided for unjust discrimination is—minimum, \$1,000; maximum, \$20,000. Upwards of twenty-seven of the States and territories of the United States have passed legislation, exclusive of corporation laws, with a view to preventing the formation of combinations and monopolies. Fifteen States have articles in their Constitution with a similar object. Records and law reports indicate also that many States have relied upon the common law to protect their people against monopolies. I shall now shortly state what has been done in Canada. In 1904 an Act was passed amending the Customs Tariff, and containing provisions directed against the practice of dumping. Under those provisions, if the Minister of Customs is satisfied that the export price in another

country, or the actual selling price to the importer in Canada of any dutiable goods of a kind produced in Canada, is less than the fair market value thereof, he has power to impose a special duty of Customs equal to the difference between such fair market value and such selling price. It is provided, however, that the special duty on any article shall not exceed one-half of the ordinary duty, except in regard to pig-iron and cast scrap-iron, iron or steel ingots, and other forms less finished than iron or steel bars, &c., rolled iron or steel plates, the special duty on which is not to exceed 15 per cent. *ad valorem*, or more than the difference between the selling price and the fair market value of the article. Provision is made to meet any attempt at evasion of a special duty by shipment on consignment without sale, and the Minister may, by regulation, also provide for the temporary exemption from special duty of any articles, if he is satisfied that they are not made in Canada in substantial quantities, and are offered for sale to all purchasers on equal terms; or may allow exemption from special duty in cases where duty is equal to 50 per cent. or upwards, or when the difference between the fair market value and the selling price is only a small percentage of the market value. As I told honorable members just now, one part of this Bill follows the spirit of the Canadian Act dealing with dumping.

Mr. DUGALD THOMSON.—It is prohibitive.

Sir WILLIAM LYNE.—No, it is not, because the matter, in certain circumstances, may be dealt with by the Minister under section 52 of the Customs Act, and the effect need not be prohibitive. In reference to the New Zealand legislation, I may say that a temporary Act was passed in October, 1905, expiring 1st August, 1906. That Act relates to the following implements, viz.:—Ploughs, harrows, drills, rollers, cultivators and scrubbers, chaffcutters and seed cleaners. The Act provides for the immediate compilation of a description of each implement, and the current price thereof at the date of passing the Act. On complaint by two or more manufacturers that the price of any implement on importation has been materially reduced, leading to unfair competition, the Minister shall refer the complaint to a Board, which, if satisfied, may recommend that relief be granted. On such recommendation, the

Commissioner may grant the manufacturers a bonus not exceeding 33½ per cent. There is provision also for relief in another form—that is, on proof to the Collector that duty-paid materials, such as cannot be advantageously manufactured in New Zealand, have been used in the construction of any implement, a refund of the duty is made. Relief may be granted to the manufacturers also on the report of the Board, if the manufacturers agree to reduce the price of the whole, or not less than half, of the implements mentioned in the Act to at least 20 per cent. below the price current at the passing of the Act.

Mr. GLYNN.—Is it not a condition of getting the bonus that they must make the reductions?

Sir WILLIAM LYNE.—I am relying upon information placed in my hands by my officers.

Mr. GLYNN.—I think the Minister will find that I am not in error. The intention is to protect the consumers.

Sir WILLIAM LYNE.—It may be so. I am not certain about that. However, I have given the information to the House so that honorable members may be able to know exactly what has taken place elsewhere. I have a variety of quotations with which I need not trouble honorable members to-night; but, if necessary, I can lay them upon the table and they can be printed as a paper. Part of this information relates to the Beef Trust.

Mr. WILKS.—Is not the power of the Beef Trust traceable to the fact that it captured the means of transport?

Sir WILLIAM LYNE.—Yes, that was in consequence of the railways in the United States being privately owned. As I have explained, we, having no privately-owned railways in Australia, cannot be affected in that way. But we have private shipping companies which can act in a precisely similar manner, and it is in respect to them that the Act will apply. I do not know that there is anything further that I need say in reference to the Bill. Perhaps it would be advisable, if the House is agreeable, to have the extracts in my possession, and which have been furnished to me by the Law Officers regarding the provisions of the law in the United States, Canada, and other parts of the world, printed as a separate paper.

Mr. WILKS.—We shall all require them.

Sir WILLIAM LYNE.—I will ask Mr. Speaker to allow me to lay them upon the table after I have moved the second reading of the Bill. I hope that honorable members will take this Bill earnestly into their consideration, with a view to passing it as soon as possible. Although it is a short Bill it was debated at length last session, and if the same spirit were manifested towards it on the present occasion its passage might take a considerable time. We have got on very well with our work up to the present.

Mr. WILKS. — Does the Minister think that the Bill will effect all that he says it will?

Sir WILLIAM LYNE.—I am sure that it will do all that I have said it will do and more beside.

Mr. WILKS.—Then where is the necessity for a Tariff Bill?

Sir WILLIAM LYNE. — Honorable members opposite say that I have too much power already. I certainly think that I have too much responsibility upon my shoulders. This measure, when passed, will be a protection against persons riding through any Tariff enactments that Parliament may pass. It will effectually prevent attempts to establish monopolies. More than that, the fact that such an Act is placed upon the statute-book will instil into the minds of those who might be inclined to promote monopolies a fear of the penalties that would fall upon them if they did so. It will have a good moral effect in that respect. But I do not wish honorable members to make any mistake in relation to my intention. This Bill does not take the place of a Tariff. I want some one else to be the adjudicator in cases that may arise, so that no one can say that I have been harsh or have done anything of which honorable members opposite do not approve in putting it into operation. I hope honorable members will make use of all the information which I have placed at their disposal, and I trust that the Bill will be brought into operation before the end of this year.

Debate (on motion by Mr. DUGALD THOMSON) adjourned.

PAPER.

Sir WILLIAM LYNE laid upon the table the following paper:—

Summary of the scope and objects of the principal Acts dealing with trusts, pools, and industrial combinations in the United States of America.

[10]

ADJOURNMENT.

ORDER OF BUSINESS.

Mr. DEAKIN (Ballarat—Minister of External Affairs) [10.38].—In moving—

That the House do now adjourn,

I desire to say that I hope that to-morrow, at an early hour, we shall be able to finish the debate on the matter to which we have devoted a good portion of to-day's sitting. On that understanding I propose to give precedence to that subject over Government business. It is one of urgency, and I hope that it will be disposed of very soon. When the House has dealt with that, it will have disposed of one of the most immediate problems facing us at present.

Question resolved in the affirmative.

House adjourned at 10.39 p.m.

Senate.

Friday, 15 June, 1906.

The PRESIDENT took the chair at 10.30 a.m., and read prayers.

DEFENCE DEPARTMENT: ENGINEER.

Senator GUTHRIE.—I desire to ask the Minister of Defence, without notice, the following questions:—

1. Did the Defence Department recently advertise for an engineer holding a first class certificate from the Board of Trade?
2. Has any appointment been made from the applications received?
3. If not, what are the reasons?

Senator PLAYFORD. — The Naval branch of the Department of Defence advertised for an engineer. In their advertisement they stated that he must possess a first class certificate, and they recommended me to appoint a man with only a second class certificate. I returned the papers, with an intimation that the conditions contained in the advertisement and in the regulations would have to be complied with; in other words, that the officer to be appointed would have to hold a first class certificate.

Senator GUTHRIE.—And no appointment has been made?

Senator PLAYFORD.—Not that I know of. I do not believe that the officers in question had the right to make an appointment. They had only the right to make a

recommendation to me, and I have refused to confirm the appointment if one has been made.

Senator GUTHRIE.—Arising out of the reply, I wish to ask the Minister of Defence if the person who was recommended by the Naval branch for appointment is not now in the Government employ?

Senator PLAYFORD.—Personally, I do not know that such is the case, but I have been informed that they took him on what they call probation. What I have said is an accurate statement of the case. They asked me to approve of the appointment and I refused.

Senator GUTHRIE.—And he is still employed?

Senator PLAYFORD.—I do not know.

INTRODUCTION OF BILLS.

Senator PEARCE.—I desire to ask the Minister of Defence, without notice, a question concerning notices of motion on the business-paper of the other House relating to the introduction of two Bills by two Ministers, and either of which could be originated in the Senate.

Senator MILLEN. — Will the honorable senator name the Bills?

Senator PEARCE.—I refer to a Bill relating to foreign companies carrying on the business of life assurance in Australia, which is not a Money Bill, and a Bill relating to quarantine, which also is not a Money Bill. In view of the fact that the Minister of Defence has already foreshadowed an adjournment of the Senate because of want of business, I wish to ask whether it is not possible for him to get the two Ministers in another place to allow the Ministers in the Senate to introduce these measures here, and so give us some work to do?

Senator PLAYFORD.—I had no knowledge that it was intended by the Ministers in question to introduce these measures in another place. Directly that knowledge came to me I spoke to the Prime Minister on the subject, as I had been constantly asking for as much work as it was possible to give to the Senate. I can assure my honorable friends that I have been looking after the Senate's interests as others have been doing. I pointed out to the Prime Minister that in this session there would be a goodly number of measures containing money clauses which it would be impossible to introduce in the Senate, and that in my opinion the particular measures now referred to should be originated here. He

agreed with me, and the notices of motion relating to the two Bills standing on the business paper of the House of Representatives will, I believe, be read and discharged, and I shall have possession of the measures next week.

DEPORTATION OF KANAKAS.

Senator DOBSON.—I desire to ask the leader of the Senate, without notice, at what time he expects to get the report of the Queensland Sugar Labour Commission, and if shortly after it is received he will make a statement as to the policy of Ministers with regard to the deportation of the kanakas.

Senator PLAYFORD.—I ask the honorable senator to give notice of the question, as I think I had better not give an answer offhand. I believe that the deportation of the kanakas is a matter for the State and not for the Commonwealth.

Senator DOBSON.—Has the Minister any idea when the report will be ready?

Senator PLAYFORD.—No; it is not a Federal Royal Commission.

PAPERS.

Senator PLAYFORD laid upon the table the following papers:—

Report, with proceedings, minutes of evidence, and appendices of the Royal Commission on the Tobacco Monopoly.

Report, with appendices and minutes of evidence, of the Royal Commission on the Navigation Bill.

Memorandum on the anti-trust legislation of the United States of America, and the legislation of Canada and New Zealand for the prevention of dumping.

Ordered to be printed.

Senator KEATING laid upon the table the following paper:—

Document respecting proposed Federal Capital sites in the Yass, Lake George district.

Ordered to be printed.

TELEPHONE SERVICE : PERTH AND FREMANTLE.

Senator DE LARGIE asked the Minister representing the Postmaster-General, *upon notice*—

1. Is the Government aware of the state of the telephone system between Perth and Fremantle?

2. Is it owing to the wires being exposed to the effects of sea air on that portion between Fremantle and Cottesloe?

3. Is it the intention of the Government to have the wires placed underground; and, if so, when?

Senator KEATING.—The answers to the honorable senator's questions are as follows :—

1. Yes.
2. No. It is due to defective aerial cable.
3. Yes. The work is now proceeding, and it is anticipated will be completed within about four weeks, so far as the section from Fremantle to Cottesloe is concerned. The other sections will be put in hand as early as possible.

ASSENT TO BILLS.

Senator PEARCE asked the Minister of Defence, *upon notice*—

In reference to the answer given by the Minister to the question asked by Senator Pearce relative to the notification of the assent by His Excellency the Governor-General to certain Bills—

1. Has it not been the continuous practice since the inauguration of the Federal Parliament for such assent to be notified to Parliament?
2. If so, why has there been a departure in regard to these two Bills?

Senator PLAYFORD.—The answers to the honorable senator's questions are as follows :—

1. It has been the general practice.
2. Because the assent was given on Prorogation Day.

It was just a little oversight for the moment, but it was rectified as soon as possible.

Senator PEARCE.—I would like, sir, to ask whether that is an answer to my question?

The PRESIDENT.—The honorable senator cannot expect an answer to that question, but he can ask another question.

Senator PEARCE.—Well, I ask whether it was not possible for the Royal assent to the Bills to be notified to Parliament this session?

Senator MILLEN.—Will the honorable senator ask, without notice, whether it is the intention of the Minister to remedy the omission?

Senator Lt.-Col. GOULD.—Again the Minister might be asked whether in the case of other Parliaments it is not the custom at the beginning of a session to report any assent which has been given to Bills during the recess?

Senator PLAYFORD.—I shall look into the matter. I have only just had this answer handed to me. I am sure that it has been out of no disrespect to Parliament that the report has not been made. I believe that at the time of the prorogation the Bills were overlooked, and the Royal assent was not given when the Governor-General was here. The omission was found out, I believe, the same afternoon, when the Royal assent was given.

[10]—2

Senator MILLEN.—The Minister must recognise that he has an aptitude for overlooking things.

Senator PEARCE.—And he has an opportunity for rectifying any mistake.

Senator PLAYFORD.—I do not know; but if I liked, I think I could shunt the blame possibly on to the officers of Parliament.

The PRESIDENT.—No; the officers of Parliament have nothing to do with the matter.

Senator PLAYFORD. — Not with the assent to Bills?

The PRESIDENT.—No. It is the duty of the President and Speaker to present Bills to the Governor-General for his assent, and when that has been done they have nothing more to do with the matter until they receive a notification from His Excellency that the Bills have been assented to.

Senator PLAYFORD.—The officers of Parliament have to hand to the Governor-General certain Bills for his assent.

The PRESIDENT.—Yes—the President and Speaker.

Senator PLAYFORD. — And is it not part of their duty to see that His Excellency receives all the Bills which have been passed by Parliament?

The PRESIDENT. — In the present case the Bills were presented to the Governor-General. When Bills are presented to His Excellency by myself or the Speaker we cannot force His Excellency to assent to them or to send back a message that he has done so. After the presentation of any Bills we have nothing more to do with them until a message is sent back, and, as a rule, a message is sent back. In the peculiar circumstances surrounding these two Bills no message could have been sent back.

Senator PEARCE.—Mr. President—

Senator PLAYFORD.—I understand that the officers were not at fault. When I suggested that they were, I only expressed a thought which occurred to me at the moment.

Senator MILLEN. — Mr. President, has the Minister any more right than any one else to jump up when another senator is on his feet, and addressing the Chair?

The PRESIDENT.—We are getting a little irregular. I understand that Senator Pearce asked a question arising out of the answer to his question.

Senator PEARCE.—I think it is only fair to our officers to remind the Minister that at the time the Clerk of Parliaments

drew attention to this omission. We all of us remember the interruption which occurred here. The omission was not rectified, and therefore the blame does not rest with the Clerk.

Senator PLAYFORD.—I spoke without looking into the question. I thought that the Clerk of the Parliaments did send the Bills to the Governor-General.

The PRESIDENT.—The Speaker, and not the Clerk of the Parliaments, presented the Bills. The Clerk has nothing to do with the matter. They were the Speaker's Bills, and the Speaker presented them. We have nothing to do with them.

FORMAL BUSINESS.

Senator Col. NEILD.—Under standing order 62, it will be seen that order No. 4 provides for formal motions and order No. 5 for the postponement of business. Whatever difference of opinion there may be with reference to what constitutes "formal motions," to be dealt with before dealing with the Governor-General's speech, it will, I think, be admitted that "postponement of business" applies to "formal business" which, under standing order 66, it is the duty of the President to call over each day of sitting.

The PRESIDENT.—My attention has been called to this point. We must not only consider the Standing Orders referred to by the honorable senator, but must also consider standing order 14, and the practice of Parliament. According to the ordinary practice of Parliament, as a matter of courtesy to His Excellency the Governor-General, no business is taken until the Address-in-Reply has been disposed of. That was the general rule. In many Parliaments the first reading of a Bill was moved to vindicate the right of Parliament to conduct its own business in its own way; but as a matter of courtesy, no other business was done. When we framed our new Standing Orders, it was found to be inconvenient to strictly adhere to that rule, and we altered it to a certain extent by providing that certain motions should be taken before the Address-in-Reply was agreed to. Those motions are the fixing of the days and hours of meeting and the appointment of Standing Committees.

Senator Col. NEILD.—May I draw your attention to the word "includes" in standing order 14?

The PRESIDENT.—If it had not been for that word, we could not have taken any

business whatever until the Address-in-Reply had been disposed of. Clearly that word "includes" enables us, according to our own Standing Orders, to do certain formal business before we agree to the Address-in-Reply. When we come to the other Standing Orders to which Senator Neild has referred, we find that the word "formal," as there used, has a different signification altogether. It refers to business which the Senate has declared shall not be discussed. There, as I say, it has a different signification to what it has in standing order 14. I think we should get into difficulties if I were to submit a great many of these motions which can be put after the Address-in-Reply has been disposed of, before that has been done; because, having put the question of whether they are "formal" or "not formal," it is for the Senate to give the answer; and we might go on with a great deal of business before the Address-in-Reply was disposed of. I think it would be far wiser to adhere to our former practice.

Senator Col. NEILD.—With great respect, may I submit for your consideration whether, assuming the strict accuracy of the views you have just enunciated, it will not be equally inconvenient and equally likely to lead to the difficulties you have suggested as to dealing with purely formal motions, for questions to be asked and answered?

The PRESIDENT.—There can be no discussion on questions.

Senator Col. NEILD.—Nor on formal motions, with great respect.

GOVERNOR-GENERAL'S SPEECH: ADDRESS-IN-REPLY.

Debate resumed from 14th June (*vide* page 201) on motion by Senator STYLES.

That the following Address-in-Reply be presented to His Excellency the Governor-General:—

To His Excellency the Governor-General.

MAY IT PLEASE YOUR EXCELLENCY:

We, the Senate of the Commonwealth of Australia, in Parliament assembled, beg to express our loyalty to our Most Gracious Sovereign, and to thank Your Excellency for the speech which you have been pleased to address to Parliament.

Senator O'KEEFE (Tasmania) [10.50].—Some of the matters to which I had intended to refer in my speech were dealt with by honorable senators who addressed themselves to the motion yesterday. The most important matter to the State which I represent is that which was touched upon

by both the Tasmanian senators who have contributed to the debate. I am disappointed that no reference is made in the Governor-General's speech to the intentions of the Government as to whether the book-keeping system of finance under which we are at present working shall be continued, or we shall avail ourselves of the terms of the Constitution, and discontinue that system at the end of five years from the passage of the uniform Tariff. I have already given notice of a motion for the 5th July upon this subject, and shall then take the opportunity of testing the feeling of the Senate. I notice a smile on the face of some of my friends from Western Australia. I know we shall be told of the very large amount of money which Western Australia would lose by the distribution of the revenue on a *per capita* system, and that that would be a serious bar to the introduction of the only real and true Federal system. But I would ask my Western Australia friends to remember that when the States joined in Federation they expected that sooner or later it would be a real and true Federation. There can be no such Federation until there is a federation of the finances of Australia.

Senator MILLEN.—When it was suggested by one of the larger States that help might be given to the poorer States the honorable senator's State became indignant.

Senator O'KEEFE.—I do not know that the honorable senator has any authority to say that Tasmania became indignant, although one or two persons in Tasmania may have expressed their feelings.

Senator CLEMONS.—Senator Millen has merely made a vague and unintelligible remark.

Senator O'KEEFE.—I think it will be a long time before the State of Tasmania will wish to derive any help from any other State that is not due to her as a right under the Constitution. Getting away from the interests of any particular State and coming to the crux of the question, I maintain that the terms of the motion of which I have given notice to-day truly present the case as it exists—that there will be no truly Federal spirit, such as is necessary if this great Commonwealth is going to accomplish the work it is intended to do, until we have a true federation of the finances. I admit that the senators from Western Australia, inasmuch as this is a States house, have every right to stave off the day as long as they possibly can; and I admit that it does look as if there were an endeavour on the

part of the representatives of smaller States like the State of Tasmania to benefit their constituents by the distribution of the surplus revenue *per capita*. It may appear as though they were wanting to put their hands into the pockets of the Western Australian people. But I would ask the Western Australian representatives—because that seems to be the only State which publicly objects to this proposal—

Senator PEARCE.—New South Wales also.

Senator O'KEEFE.—I feel certain that New South Wales will be found to exhibit that truly Federal spirit of which her representatives so often talk when the proposal is definitely made. We are faced with the position that all new expenditure is now being borne by the people of Australia according to population. Sir George Turner declared, and I believe was backed up by constitutional authorities in his Government and in the Parliament, that all new expenditure must be borne *per capita*, no matter where the money is expended. Sir George Turner discovered that under the Constitution no such expenditure could be debited to the State in which it was spent. We do not know where new expenditure is going to be incurred in the future. We only know that a great deal of new expenditure has been incurred in some of the States. I do not think that I am acting unfairly when I call attention to the extent to which Western Australia has benefited. We in Tasmania have had to bear our proportion of that expenditure according to population.

Senator PEARCE.—Tasmania does not bear an undue proportion.

Senator O'KEEFE.—We bear our share in the only fair and Federal way—by a *per capita* distribution of the burden. I remind the New South Wales representatives that £20,000 was authorized to be spent last year for the construction of an entirely new telephone line between Sydney and Melbourne. We were called unfederal when we objected to that being placed in the "new expenditure" column and being equally borne by the people of all Australia. I objected myself, and must object again; and I take it that in the interests of the State I represent it is my duty to object to this system of debiting expenditure until the revenues go into the common pocket.

Senator PEARCE.—Until Tasmania gets that half-million.

Senator O'KEEFE.—It is not a question of half-a-million. Western Australia might lose to-day under the *per capita* system of distributing revenue, but we cannot tell what will happen in the next year or two. Even now the ratio between the States is gradually becoming less. As the State of Western Australia becomes more even as compared with the other States—that is to say, when the men of Western Australia to a greater extent take their families over there—the consuming power of the people per head will be equalized.

Senator MILLEN.—If we are approximating to a common level, there is no need for the motion which the honorable senator is to submit.

Senator O'KEEFE.—There is need of it, because we know very well that we have to face new expenditure. In all probability there will be heavy new expenditure on account of defence in some of the States. No one is going to object to any proper expenditure for defence purposes, no matter in which State it occurs. No representative would be silly enough to object to his people paying their proper proportion towards the defence of Australia. But still we must acknowledge that the people in the States which have to bear their share of this proper and reasonable expenditure are likely to be wanting in the Federal spirit, and to have a grievance against the Federation and the Federal Parliament, until the system of distribution of revenue is the same as the system of distribution of expenditure. Last year there was rather a warm debate on the question of the carriage of mails between this State and Tasmania. It was contended by some of us that it was properly new expenditure, that the £11,000 should be placed in the new expenditure column, and should be distributed *per capita*. Those honorable senators who objected to that view, declared by a majority that, in their opinion, this should be regarded as transferred expenditure, and we had to pay the whole £11,000. I think I have a right to call attention to this question. I remember that Ministers told the Senate that the whole matter of the carriage of mails and the payment therefor would be taken into consideration during the recess, and that the system would be placed on a more satisfactory basis. I hope that that has been done, and that when the Estimates are before us we shall see that a fairer system of apportioning the expenditure has been voted. When speaking on the States

debts question, Senator Mulcahy referred to the fact that nothing had been done in connexion therewith. While of opinion that no good would result from the taking over of the States debts as proposed, Senator Mulcahy suggested that the Commonwealth should take over the debts as they mature. It appears, however, that under section 105 of the Constitution, which had apparently escaped Senator Mulcahy's attention, that cannot be done; the Commonwealth cannot take over a debt in any one State without taking over debt to a corresponding amount from each of the other States. The most statesmanlike proposal on this subject has, in my opinion, emanated from Mr. Watson, the leader of the party to which I have the honour to belong. Mr. Watson's suggestion is that the people of the Commonwealth at the coming election should be asked to approve of a simple alteration of the Constitution, giving power to the Commonwealth Parliament to take over any debt in any one State at any time that may be thought opportune. If such a scheme were carried out, the people generally would get the benefit of the saving, if any, in the rate of interest. Of course, we know there are great difficulties in the way of taking over the debts. The States Treasurers are averse to the Federal authorities assuming control, but nevertheless the simpler method suggested by Mr. Watson has found favour amongst those who make finance a special study. His Excellency's speech refers to one other matter which affects, and is likely to affect, Tasmania rather considerably. In the paragraph relating to preferential trade it is stated that negotiations are now being conducted between the Commonwealth and New Zealand. Considering that New Zealand has not yet joined the union, the first study should be the interest of the people within the Federation. There are several products of my own State, the producers of which are now receiving some benefit from Federation, owing to the fact that free markets are presented to them on the mainland. If, however, a preferential Tariff were entered into between the Commonwealth and New Zealand in connexion with those products the Tasmanian producers would suffer serious loss. I hope that the Ministry, who have a voice from Tasmania in their councils, will keep this view of the matter before them when such articles as potatoes, hops, barley, and fruit are under discussion in any negotiations which may be conducted.

Senator TURLEY.—We get no fruit from New Zealand.

Senator O'KEEFE.—I understand that New Zealand grows a quantity of fruit, and may become a competitor with Tasmania in the markets on the mainland. At all events, New Zealand is outside the Federation, whilst Tasmania is within; and I hope the Government will pay due regard to the interests of our own people, who have to pay whatever extra cost Federation has thrown on the public expenditure. In view of the notice of motion I have given to-day, it is interesting to me to note that the other day Mr. Norman Ewing—who was formerly a member of this Chamber, and is now a candidate for the position of representative senator for Tasmania—stated that the Opposition believed in the distribution of surplus revenue under the *per capita* system.

Senator CLEMONS.—Why should he not say that?

Senator O'KEEFE.—Mr. Ewing may be quite right, and I should like to know whether he is, because, if so, it will probably gain a great deal of support for him in his candidature.

Senator CLEMONS.—Mr. Ewing is not the first man who has told the people of Tasmania that.

Senator O'KEEFE.—He is the first who has done so to my knowledge. I did not know that Senator Clemons—

Senator CLEMONS.—I have not said anything about myself.

Senator O'KEEFE.—I do not know where any Federal member or candidate has stated that the Opposition, as a party—meaning, I take it, the Opposition leader as well—are favorable to that policy. It is news to me, as I think it must be news to a large number of people in Tasmania. From interjections which I heard from the bench occupied by New South Wales senators just now, when I gave my notice of motion, I take it that some of them, at least, would be hostile to such a proposal.

Senator CLEMONS.—The honorable senator does not think he is fathering the proposal, does he?

Senator O'KEEFE.—I should like to know whether this candidate is correct when he says that the Opposition—meaning, to the people of Tasmania, the Opposition under the Opposition leader—is favorable to that method of distributing the surplus revenue.

Senator CLEMONS.—He meant the Tasmanian opposition in the Senate.

Senator O'KEEFE.—He must have meant the Opposition in the Federal Par-

liament, because the Tasmanian opposition within this Chamber would not be strong enough to carry such a proposal. There must be a majority in both Houses.

Senator MACFARLANE.—Is the honorable senator in favour of the proposal?

Senator O'KEEFE.—Indeed I am.

Senator MACFARLANE.—Then why does the honorable senator complain?

Senator O'KEEFE.—I do not complain, but merely wish to tell the Government that if the Opposition leader is taking that federal stand the Government may find that they ought to take it also.

Senator Lt.-Col. GOULD.—The Government ought to "go one better."

Senator O'KEEFE.—While I certainly do not agree with much of what Mr. Ewing has said, I hope that that part of his policy—whether he is returned or not—will be adopted. Mr. Ewing has come as another Daniel to judge the Labour Party, and has made a number of statements, which do not concern the Senate. This particular part of his policy, however, I am very pleased with, and I hope it will be found that the majority of the Opposition favour what seems to me a Federal proposal. Some honorable senators, particularly one from Tasmania, referred last night in scathing terms to the proposal by Mr. Watson that the Commonwealth Parliament should impose a graduated land tax. It is only right that, in reply to those gentlemen, I should give reasons for the attitude I have already taken up on this question on various platforms in Tasmania during the last three or four months. I admit quite candidly, with Senator Mulcahy, who says this is a State matter, that if there was any chance of the States tackling this great problem within a reasonable time, it would be better to leave it to them. But I have to judge the possibilities of the future by our experience of the past. In Tasmania, at any rate, where it is considered by a large number, and possibly by a majority, that a graduated and progressive land tax would be one step towards bringing into use, and making easy of access, land now idle, such a policy would never be adopted by the Legislative Council. In my opinion, a progressive land tax will not, and cannot be, adopted by that Legislative Council. That has been shown by the attitude of that Chamber in regard to other proposals of the kind in the past. In all the States the cry

has been heard that such a land tax is unconstitutional. Such a statement, however, is nonsense; we have only to look within the four corners of the Constitution to ascertain our powers and limitations. We know that direct taxation is one of the powers given by the people to the Commonwealth Parliament. But we are told that there is an unwritten law—an understanding amongst the people—that the exercise of this power is against the spirit of the Constitution, and is not intended to be resorted to except in an emergency. It is also said that such a tax would be an unwarrantable invasion of States rights. Now, what are States rights? Are not the people who elect the States Parliaments exactly the same who elect the Commonwealth Parliament? When we put States rights on the one hand, and the good of the people on the other, I think the vague cry in regard to the former may be disregarded. If the representatives of all the people of Australia, in both Houses of the Commonwealth Parliament, are satisfied that there is not much chance of a fair progressive land tax, which will have the effect of bursting up large estates, passing the States Parliaments within a reasonable time, we shall be only acting within our rights, and, indeed, only doing our paramount duty to the people who returned us, if we support such a policy. I regret that Senator Mulcahy is not present at this moment, because he always expressed himself in favour of progressive land taxation, and as an ardent advocate of any measure to assist in bringing the land to the people. I am only sorry that Senator Mulcahy does not agree with the proposed method of achieving this desirable end. I have nothing further to say in connexion with His Excellency's speech. The vague and empty cry of anti-Socialism which has been raised from one end of Australia to the other seems to me too hollow to call for contradiction. Those who raise the cry are creating a bogv to frighten people in a form of Socialism which does not exist, and never will exist, in Australia. It was only a day or two ago that a man named Johnson—a member of the Federal Legislature, who ought to have been ashamed to utter such lies—publicly repeated the silly, absurd, miserable slanders that have been refuted time after time.

Senator WALKER. — What about the *Worker*?

Senator O'Keefe.

Senator O'KEEFE.—The *Worker* has nothing to do with legislation.

Senator TURLEY.—Mr. Johnson has denied the accuracy of the report.

Senator O'KEEFE.—I am glad to hear that he has apologised.

Senator DE LARGIE.—He put the blame on the reporter.

Senator O'KEEFE.—Then I hope that the reporter will be forgiven his sins. Apart from Mr. Johnson, and others occupying responsible positions who utter these slanders, the fact remains that the same absurd stories are being circulated by various organizations. They have been, and are being, circulated publicly in the State of which I am a representative by members of the female branches of the National Association, and they are being circulated privately to a still greater extent. It is declared that the Labour Party and the Socialists wish to invade the sanctity of the home, to break the marriage tie, and so forth. Those who make these statements must know perfectly well that they are deliberate falsehoods. If they do not, their ignorance is such that they should not set themselves up as guides to the people. This attitude on the part of a certain section of the community is remarkable when contrasted with the homage which they paid in Victoria the other day to that great man, Mr. Richard Seddon. He was in this House only a week ago, and I had then the honour of listening to a speech that he made, which ranks amongst the finest I have ever heard. Mr. Seddon received homage from persons of all shades of political thought, from the so-called Socialists as well as from the anti-Socialists.

Senator WALKER.—Who are the Socialists to whom the honorable senator refers?

Senator O'KEEFE.—I am alluding to the Labour Party.

Senator WALKER.—Then the honorable senator admits that they are Socialists?

Senator O'KEEFE.—It is the honorable senator who has applied that name to the party. What does he think of the inconsistency of public men and powerful newspapers, who in one breath, so to speak, denounce the legislation which our party are endeavouring to pass, and in the next render homage to the great man, Mr. Richard Seddon, who has just passed away. Even the honorable senator and those of his political cult have joined in declaring that the late Mr. Seddon was one of the

greatest figures in the politics of the Empire.

Senator WALKER.—We can often admire a political opponent.

Senator O'KEEFE.—But those to whom I refer have never described the late Mr. Seddon as a political opponent. They have joined in eulogizing his mighty work.

Senator WALKER.—He was an idealist.

Senator O'KEEFE.—If he was an idealist he was certainly a most practical one. Did not an honorable member in another place, who belongs to the senator's party, say, "the Empire is poorer to-day because Richard Seddon is dead"? Is it the mere holding of ideals that helps a man to make the Empire greater, or is it the carrying of those ideals into practical effect? We have heard not one word against the splendid work which the late Mr. Seddon compassed within the twelve or fourteen years of his strenuous life as a Minister. We have heard nothing against the legislation that he passed in New Zealand. When he visited Victoria, those who rail against the Labour Party almost went on their knees to him as a great figure in the politics of the Empire—as one who had initiated legislation that had made New Zealand prosperous.

Senator WALKER.—Did he believe in the caucus?

Senator O'KEEFE.—We are speaking not of the caucus, but of the prosperity of New Zealand, which is due entirely to the legislation passed and administered by Mr. Seddon and his colleagues.

Senator PEARCE.—Due to the ministerial caucus there.

Senator O'KEEFE.—Quite so. The outcry against the caucus is very amusing. Some of those who are most vigorous in their denunciation of the iniquity of the caucus, are Cabinet Ministers—members of the most intense form of caucus that has ever existed. At the present time, a gentleman who is angry because he is not a member of the Federal Cabinet, is touring Australia and telling the people that they will be ruined if they submit to caucus government. Does not this show the hollowness of the outcry? It will be a good thing for Australia when the majority of the people decide to accept legislation similar to that initiated by Mr. Seddon, and which has made New Zealand prosperous. Long after every member of this Parliament is forgotten, the memory of that great man will live. There

is no necessity to raise a monument to his memory; one is already erected in the hearts of the people, and the practical legislation passed by him will cause his name to be engraven in imperishable letters on the hearts of future generations in New Zealand. Every newspaper and public man now declaring that legislation similar to that passed by Mr. Seddon will ruin Australia, admits that New Zealand will be the poorer because of his death. Are they not adopting an inconsistent attitude? I should like this charge to be answered. I should like these men and these powerful newspapers to say why a set of Statutes which have made one country great will ruin another. Those who object to our proposal to pass a progressive land tax as the first step towards bringing the land within easier reach of the people, cannot deny that the land system adopted by New Zealand is at the basis of its prosperity. There is irrefutable proof of that fact. Inquirers can find no other reason for New Zealand's prosperity. Those who are prepared to tell the truth must admit that there is little chance of any of the States Legislative Councils passing similar legislation, and yet they object to the power to carry such a law being exercised by the Federal Parliament. When it is proposed to exercise it, they declare that it is unconstitutional, and when it is proved that we have the constitutional power to take this action, they shift their ground and say that it would be against the spirit of the Constitution. The question will not be dealt with during the present session, but I hope that a majority will be returned to the next Parliament pledged to a progressive land tax, which must be a great factor in giving the people easy access to the land at reasonable rentals—a progressive land tax such as Mr. Watson has said he will advocate, and which we are advocating at the present time.

Senator PEARCE (Western Australia) [11.25].—I should not have spoken to the motion for the adoption of the Address-in-Reply but for the remarks made by the honorable senator who has just resumed his seat with reference to the bookkeeping section of the Constitution. The period fixed for the bookkeeping system will expire during the present year, although it may continue as a constitutional enactment until the Parliament otherwise provides. At the Conference of States Treasurers, held recently in Sydney, a proposal was made

that the revenue of the Commonwealth should be distributed on a *per capita* basis, instead of, as at present, under the book-keeping system. Opposition was raised to that proposal, and several of those who made it appeared to be ashamed of it. They seemed to recognise that they were asking for something that was not honest. Western Australia was not represented at that Conference, and that fact was pointed out by the Treasurer of Queensland who urged that the position of the western State should be considered. The Premier of Tasmania replied, however, that it was not the duty of the Conference to put forward the views of Western Australia, and consequently three out of the five Treasurers present voted for a resolution asking that £500,000 now contributed by the tax-payers of Western Australia should be expended in the eastern States. Such a proposal can be stigmatized in only one way: It is an impudent, barefaced proposal of public robbery. Because the majority of the taxpayers of Western Australia, as the result of its progress, happen to consist of adults, that State is contributing about £7 per head of the population to the Customs revenue. On the other hand, Tasmania, owing to its stagnation, has a population composed largely of women and children, who are contributing only a little over £2 per head to the revenue.

Senator O'KEEFE.—There are more men than women in Tasmania.

Senator PEARCE.—The proposal is put forward that Tasmania should reap the harvest of Western Australia's progress, and that taxes paid by the people of that State should be expended in the other States of the Commonwealth. The excuse put forward by the honorable senator, who to my surprise has championed this infamous proposal, is that since the Commonwealth Government have initiated the system of distributing expenditure on a *per capita* basis, the same principle should be applied to the distribution of revenue. What has been the result of the *per capita* distribution of expenditure. Last year Western Australia received under this system about £20,000 more than that to which she would otherwise have been entitled. I would point out to Senator O'Keefe that the system of distributing expenditure on a *per capita* basis was not proposed by Western Australia. The representatives of that State in the Federal Parliament never demanded it, and it was not as the result of action on

their part that this expenditure of £20,000 was incurred. Another point is that whilst our revenue remains fairly steady, and can be gauged with something approaching accuracy, our expenditure varies, so that, while £20,000 in excess of the sum to which Western Australia would otherwise be entitled may be expended this year on a *per capita* basis, it may be that next year a greater expenditure will take place in Tasmania. You cannot compare Federal expenditure with Federal revenue, because the one is steady while the other fluctuates all over the Commonwealth, although the total amount may approximate year by year. But if the *per capita* system is wrong, are we to perpetrate a greater wrong? Are we to say that because last year Western Australia reaped an advantage of £20,000 she is to be robbed of £500,000? Is that to be the remedy applied? The proposal has only to be looked at by any honest man for him to come to the conclusion that it is a preposterous one. I am certain that no Government would ever hold the Treasury Bench for long which would propose the remedying of one evil by creating another evil. If the charging of expenditure on a *per capita* basis is an evil, let it be remedied by adopting the bookkeeping basis, and then certainly Western Australia would have no reason to complain; it might be that it would not lose anything. But it is wrong to remedy an evil by perpetrating a greater injustice.

Senator O'KEEFE.—What does the honorable senator suggest?

Senator PEARCE.—The honorable senator left the Chamber when I was suggesting something.

Senator O'KEEFE.—I could not help leaving.

Senator PEARCE.—I hold that if there is an injustice inflicted by pursuing the *per capita* system, it should be remedied by reverting to the bookkeeping system, and debiting to each State the expenditure therein.

Senator O'KEEFE.—They tell us that that is unconstitutional.

Senator PEARCE.—Sir George Turner, who first introduced the system, has a doubt as to whether it is constitutional or not. He says that some authorities tell him that it is unconstitutional, and that others tell him that it is not. When legal minds differ, who shall decide? In this case, Sir George Turner made himself an umpire, and decided to adopt the *per*

capita basis. I venture to say that had he decided to continue to follow the bookkeeping system, not a protest would have been heard from Western Australia, because in the first years of Federation that was the system in vogue, and its representatives never raised any protest against it. Not a protest was heard.

Senator O'KEEFE.—Still, the *per capita* system is there, and it cannot be changed now.

Senator PEARCE.—I think that it can be changed. If the bookkeeping system was legal in the first years of Federation, it is legal now. The question has never been tested yet.

Senator O'KEEFE.—On certain items it was tested in the Senate.

Senator PEARCE.—As I said before, it is by no means certain that under the *per capita* system Western Australia would continually reap an advantage at the expense of other States, and next year the advantage may possibly be reaped by Tasmania. It will all depend upon the decision of the Government as to where public works shall be carried out. Take, for instance, defence works. It could reasonably be argued that the placing of guns at Hobart is the best way of effectually defending Victoria.

Senator O'KEEFE.—I do not object to extra expenditure for defence in any State.

Senator PEARCE.—The increased expenditure in Western Australia last year was chiefly due to the large expenditure on the defences of Fremantle.

Senator O'KEEFE.—I did not object to that.

Senator PEARCE.—I am sure that every Australian will recognise that the defence of our ports, wherever they may be situated, is an Australian matter. Therefore, there is no just reason why such expenditure should not be charged on a *per capita* basis.

Senator O'KEEFE.—That is the truly Federal system.

Senator PEARCE.—I do not propose to take up more time, but I do raise my protest against the proposal which has been made. I feel sure that the Government and the Parliament would never for a minute tolerate a proposal which would rob the taxpayers of Western Australia of £500,000 annually.

Senator Lt.-Col. GOULD (New South Wales) [11.34].—It is really quite refreshing to listen to a little discussion between

the members of a very important body known as the "Caucus"; because I understand that, generally, matters are debated amongst themselves, that the majority rule, and that the minority very humbly follow in their train.

Senator O'KEEFE.—Yes, but most of the honorable senator's friends tell us that in caucus we are bound hand and foot.

Senator Lt.-Col. GOULD.—Possibly this is one of the matters which are reserved from decision by the caucus, and therefore we hear a contention between two of its members as to the way in which certain funds should be administered. It is also interesting to notice that, as soon as these gentlemen who believe in equality, a fair distribution of wealth, and all the rest of it, begin to find that one is poor and the other is rich there is a difference of opinion. We know that it is laid down as a principle by a great many senators that it would be a good thing to put everything into a common pool, divide it amongst the contributors, and have a fresh start. Judging by his speech, that is exactly the way in which Senator O'Keefe would like to see the revenues of the Commonwealth appropriated.

Senator O'KEEFE.—Is not that the true Federal system?

Senator Lt.-Col. GOULD.—I am not disputing it.

Senator O'KEEFE.—Yes, but the honorable senator will not vote for it.

Senator Lt.-Col. GOULD.—The honorable senator has told us all this. Yet Senator Pearce, who believes in the true Federal spirit, says, "No, my State is too well off to put its money into a common pool so that the poor State of Tasmania may have a division."

Senator HENDERSON.—Nothing of the kind. He does not want his State to be robbed.

Senator Lt.-Col. GOULD.—Unless my ears deceived me, Senator Pearce said that he did not see that this principle was a fair one. In fact, I understood him to speak of it as an "infamous" proposal.

Senator PEARCE.—So I did.

Senator Lt.-Col. GOULD.—The rich man says that it is an infamous proposal that the poor man should share his wealth.

Senator PEARCE.—Who makes the proposal?

Senator Lt.-Col. GOULD.—I am glad to notice that Senator Pearce is beginning to realize, after all, that if a man has made

money fairly and justly, it is rather rough upon him to be asked to divide it with a man who is very badly off.

Senator PEARCE.—I realized that long before I ever saw the honorable senator.

Senator Lt.-Col. GOULD.—I am glad to know that the honorable senator has realized that fact. I have been wondering whether, if he represented Tasmania and Senator O'Keefe represented Western Australia, their opinions would have been exactly the same as they are to-day.

Senator PEARCE.—Mine would.

Senator DE LARGIE.—Will the honorable senator put down his wealth, and let us equally divide it?

Senator Lt.-Col. GOULD.—I should not, perhaps, object to a general division of all the money in the Commonwealth. But I do not think that either Senator Pearce or Senator O'Keefe would be prepared to agree to a bargain of that kind. If they will not do it in the case of their States, they will not do it in their own case.

Senator PLAYFORD.—The best way is to do as the Bible says—to kill the proprietor and divide the inheritance.

Senator Lt.-Col. GOULD.—Possibly that might be an easy way out of the difficulty.

Senator PEARCE.—This kind of stuff is all right for the platform, but it is rather rough upon us to fire it off here.

Senator Lt.-Col. GOULD.—Really I thought that my two honorable friends were talking to their constituents.

Senator O'KEEFE.—We were talking on a big public matter.

Senator Lt.-Col. GOULD.—Yes; but my honorable friends will have to go before their constituents by and by. I do not object to this proceeding because I recognise that the last session of a Parliament is generally taken advantage of by those members who have to go before their constituents to strengthen their position as much as possible. Therefore my honorable friends must not get very angry with me for chaffing them a little over their difference of opinion.

Senator PEARCE.—We are amused.

Senator Lt.-Col. GOULD.—I am glad to hear that my honorable friend is amused. In his speech Senator O'Keefe passed a very high panegyric upon the late Mr. Seddon. It is true that men of all shades of opinion recognised Mr. Seddon's great abilities, and the great work he had accomplished. But it must be borne in mind

by my honorable friends that they cannot expect everybody who recognises the ability and the talents of the man who has passed away to say that they appreciate and believe in the whole of his public utterances and public work. I should be very sorry indeed to think that the day would ever come when public men would not be able to appreciate the talents and services of men who advocated views which were opposed to their own. Public men, no matter what their opinions may be, can all do good work for the States, and it is only by means of differences of opinion that we manage to find out eventually what is the best proposal in the long run for the people.

Senator O'KEEFE.—Practically all Mr. Seddon's work was in the direction to which the honorable senator is opposed.

Senator Lt.-Col. GOULD.—If my honorable friends who talk about the relative difference between New Zealand and Australia will refer to *Coghlan*, they will find that, while the public debt, brought about to a large extent by Acts of Parliament, amounts to £57 8s. 8d. per head in the Commonwealth, it amounts to £68 11s. per head in New Zealand.

Senator O'KEEFE.—For what purpose was the money spent in New Zealand? Was not a great deal of it spent upon the purchase of estates which now belong to the Colony?

Senator Lt.-Col. GOULD.—Really, I am not in a position to go into details at this stage. I want to get honorable senators to realize that there is a great difference between the amount of public debt in the two countries, and that it has been brought about in consequence of certain legislation.

Senator O'KEEFE.—But has the honorable senator differentiated between interest-paying public debt and non-productive public debt?

Senator Lt.-Col. GOULD.—I believe that in most of the States there is an endeavour being made to cover the interest on the outlay by getting revenue from various public works constructed with loan money. But in any case we must realize that a heavy debt has been placed upon the shoulders of every person in the community, and that taxation has to be imposed to provide the money which ultimately will have to be paid, as well as to meet the interest on the loans and the ordinary outgoings of the Government. Unless a loan be expended in such a way

as to yield a full return in interest, it is adding day by day to the indebtedness of the country and to the struggles which its people have to undergo.

Senator O'KEEFE.—Was not the honorable senator's point that New Zealand had a larger non-productive public debt than Australia? Does he mean to say that that is the case?

Senator Lt.-Col. GOULD.—I mean to say that New Zealand has a larger *per capita* public debt than has Australia, but I cannot go into the details now.

Senator O'KEEFE. — But the honorable senator must know quite well that a large proportion of New Zealand's public debt is interest-paying.

Senator Lt.-Col. GOULD.—And a large proportion of the public debt of the States in the Commonwealth is interest-paying. I believe that all the railways of the various States are either interest-paying now or very soon will be. I make these remarks by the way, in order that my honorable friends may realize that while persons may appreciate a man who has passed away, they might not like to see many Acts of legislation which he had assisted to pass adopted in Australia.

Senator MCGREGOR.—Because the honorable senator does not want the same prosperity.

Senator Lt.-Col. GOULD.—That is a gratuitous interjection, which is not correct, because I take it that every member of the Senate desires to see the fullest measure of prosperity possible in Australia, though we may differ as to the way in which it should be brought about. I give the honorable senator credit for being animated by that desire, and I claim the same credit for myself and for every other senator.

Senator MCGREGOR.—Well, carry out Mr. Seddon's policy.

Senator Lt.-Col. GOULD.—I might resort to the honorable senator "carry out some one else's policy and the result will be very much better," but he would not agree with me.

Senator MCGREGOR.—If the honorable senator could give proof I might.

Senator Lt.-Col. GOULD.—Passing away from that question, I was very glad to learn that Senator Playford had taken steps with a view of insuring more work for the Senate to do. On several occasions it has complained of having been to a certain extent ignored by the other House, and certain efforts have been made in order to

assert the position which it ought to occupy. But I am sorry to say that it has not always followed up the expression of opinion to which it has given vent, either by means of a resolution or otherwise. It depends entirely upon senators individually as to whether the Senate shall occupy the position which it is entitled to occupy under the Constitution, or a purely subordinate position, such as that of the Legislative Council of a State in relation to the other branch of the Legislature.

Senator STANFORTH SMITH.—And it depends upon the Ministry as well.

Senator Lt.-Col. GOULD.—It depends upon every individual member of the Chamber, and it also depends, possibly to a greater extent upon the Ministers who represent the Government here. Because after all, the leader of the Senate is naturally entitled to more weight and influence than any other member, and I am very pleased to recognise that Senator Playford has pointed out very strongly to Mr. Deakin the necessity of providing us with more business. I trust that he will continue to take the same interest in the proceedings of the Senate as he has shown by that statement, and will insist that we shall not be left idle while there is work waiting in the other Chamber. If that be done the Senate will be put in a proper position, and the despatch of Government business facilitated. If there is a certain amount of work to be done, and it can be done in four or five months, it is evidently better to allow it to be done in that way than for us to wait upon the other House, and then to force business through in a very short time. In the course of Senator Styles' speech, in moving the Address-in-Reply, he took occasion to refer to the Tariff, and there was a little interchange of opinion as to whether fiscal peace should prevail, or whether this is an appropriate time to reopen the Tariff issue. It has always been my impression that there was a clear and definite understanding between Mr. Reid and Mr. Deakin that the Tariff question ought to be left severely alone during the present Parliament, but that it was quite possible that the whole question would be raised during the forthcoming elections. I entirely dissent from any attempt either to convert the present Tariff into a high protective or a free-trade Tariff. I am perfectly willing to do what has been offered by the leader of the Opposition in another place—to allow anomalies to be rectified during the present session.

I do not think that honorable senators have a right to expect more than that. Nor is there need to do more. While I do not believe in a protectionist policy—while I believe that the incidence of taxation might be altered materially by the reduction of duties to the advantage of the community—still I do not want to see the whole Tariff issue brought up again. Therefore, I am prepared to do anything which is reasonable to remove anomalies, so that there may be no complaints of unfairness as to the way taxation is being levied through the Customs. But I entirely dissent from the idea that we should discuss this question with the view of increasing the duties. In fact, it will be quite impossible to do anything of the kind this session. Senator Styles quoted a remark by Mr. Reid as to the number of men employed in the manufacturing industries. When he compares those figures with the number of men engaged in the primary industries of the country, he will see that the employment given by manufacturers is comparatively insignificant. We are all aware that there is a large number of persons employed in factories. But there is a greater number employed in the primary industries. While Australia remains as she is now, a sparsely populated country, the bulk of our people should not be absorbed in the manufacturing industries of the great cities. We want to see our men spread over the land, and to take advantage of the opportunity to encourage the pastoral, the agricultural, and the mining industries, together with the many kindred industries in connexion with them. Those honorable senators who wish to see a large number of persons employed in manufactures, must bear in mind that as they increase artificially the cost of living, while they may be doing a certain amount of good to a handful of people, they are doing a great amount of injury to the great bulk of the consumers, upon whom the strength of the country depends. Unless our primary industries are developed to the fullest extent, the country can never progress. We have no right to increase artificially the cost of living to a dozen people, in order to give one individual a little better wage than he would otherwise have. Even the few individuals who benefit find that the system reacts upon them, and that their £1 is not nearly so valuable as it would be under another set of circumstances. We are confronted with another cry—that of land taxation. We

• *Lt.-Col. Gould*

were told by Mr. Deakin, in one of his speeches, that though he had always been in favour of land taxation, he thought it a matter that should be left to the States, and that the Commonwealth should not take it up. A month or six weeks elapsed, during which Mr. Watson strongly urged land taxation. Then the Prime Minister suddenly discovered that we can take up land taxation in order to find the money for old-age pensions. This seems to me to be the thin end of the wedge, which it is intended to drive up to the hilt, in order to bring about a scheme of land nationalization. It is proposed to tax the man who has put his money into land, and to increase his burdens so that his property shall become worthless. Do the advocates of that policy think that it is going to increase the prosperity of the country? Do they really believe that the land of the man who has only £5,000 worth of property, is going to be increased in value through heavy taxation imposed on those who have larger estates? Do they realize that there is hardly a man in this country who has land of his own who does not require to get accommodation and to borrow money upon the security of that land in order to develop it? I say that the man who has £3,000 or £4,000 worth of land will find that he cannot raise money upon it, for the simple reason that the lenders of money have to look forward to a time when certain properties will be thrown upon their hands. They will have to foreclose on a proportion; and then they will find that their land is not worth a snap of the fingers, because they hold more than £5,000 worth.

Senator MCGREGOR.—Has that been the effect in New Zealand?

Senator Lt.-Col. GOULD.—The method adopted in New Zealand when the State wanted a piece of land to cut up for settlement has been to pay for it at its full value. I am perfectly prepared to see that system adopted by the various States. But here it is proposed to tax land ultimately up to the value of 1s. in the £1 for the express purpose of taxing out the landholders. Immigration will never be encouraged by that policy.

Senator O'KEEFE.—Who proposed that?

Senator Lt.-Col. GOULD.—Mr. Watson in one of his speeches said that he would impose a tax up to 1s. in the £1.

Senator O'KEEFE.—Did Mr. Watson say that on behalf of his party or did he

intimate that he gave it as his individual opinion?

Senator Lt.-Col. GOULD.—The opinion of the caucus is formed by the individual opinions of its members; and we know perfectly well that Mr. Watson is not the most extreme man in the caucus.

Senator O'KEEFE.—The honorable senator is not fair in giving that as the limit of the tax.

Senator Lt.-Col. GOULD.—The limit may be 2s. in the £1, for all I know, but I am sure that 1s. is quite enough to do great mischief. Honorable senators talk of offering inducements to immigrants to come to this country. They will not come unless they can acquire land and homes of their own. The labour members of this Parliament have not advocated the bringing of men into this country to enter into the manufactures of the State. They say, "Place them upon the land." I reply that if we wish to do that we must not, at the same time, impose such taxes as will drive people off the land. Something has been said on the question of Socialism. It is all very well to talk of Socialism as being a bogey. It is all very well to say to those who are anti-Socialists that we must not judge by the utterances of extremists. But the Labour Party have themselves to thank if we form our impressions from the men who advocate their cause on the platform, and who talk of continental Socialism as being the object aimed at. I do not say that the members of the Labour Party in this Parliament would go to the extremes advocated on the Continent. I do not believe that they would. But they have advocated the nationalization of all means of wealth and the nationalization of all land. They would even nationalize industry and capital, and by that means put everything in the hands of the Government. That is an extreme proposal, that would work the greatest possible injury to every man in the country. It behoves every man who does not believe in that system to put his views clearly before the public, and let the electors of this country judge as to what opinions are best in the interests of Australia, and what are likely to be detrimental to it. I say, with all respect for honorable senators opposite, that I believe their objective to be one of the most dangerous platforms that could possibly be put before this community, and, so far as my vote is concerned, it will never assist them to attain their end. I see also that

they want to nationalize what they call the tobacco monopoly, the sugar monopoly, and other enterprises that are doing good work, at any rate so far as the shareholders are concerned, and, I believe, so far as the people are concerned also. They wish to nationalize all these things, and to put everything into the hands of the Government. Governments—I am not speaking particularly of the present Government—are about the most incompetent body of employers to be found in any great industries of this character. Private companies and individuals can carry on such work far better in the interests of the community than can any Government, no matter how honest or able or determined to do their duty the latter may be.

Senator MCGREGOR.—What about the Sydney trams as compared with the trams in other places where the people are robbed?

Senator Lt.-Col. GOULD.—The honorable senator is harking back to the old contention that because two or three great enterprises may be placed in the hands of the Government, therefore all enterprises ought to be conducted by the State. We ought to be very careful in regard to the cry of Socialism or anti-Socialism. Protectionists who think that, by a coalition with the Labour Party, they will be able to obtain high protective duties, must bear in mind that, while they may get assistance at the elections, and for the time being, a higher Tariff, the Labour Party has declared in favour of nationalizing all industries as soon as they are strong enough, and so destroying any chance of protection for the individuals. Such a coalition is the most dangerous that any body or party could enter upon. It will truly be a case of the protectionist lamb lying down by the side of the labour lion to be gobbled up very soon. I should like to make some reference to the question of defence, in regard to which there has been an uneasy feeling for many years past. Time and again before Federation was accomplished, we were told that under the Commonwealth the system of defence would be materially improved, and Australia put in a better position to take its own part in the event of Great Britain being involved in war. Can any one say that our defence system is now better than it was when each State undertook its own share? Nay, more, is the condition of the defences of Australia to-day not infinitely worse than it was

when each individual State was called upon to look after itself? What has been the system? We have passed from one system to another. Are we one whit better off? We have never gone to the root of the matter. In Great Britain the authorities determined to have a Council of Defence, and we immediately set to work to devise a similar Council for ourselves. We got rid of our General Officer Commanding and appointed an Inspector-General, whose reports, however, are subservient to the determination of his junior officers, and of men who are not in an independent position, that is, not independent of the Minister. The whole of the service is under the control of a Council of Defence, the members of which have neither the experience nor the knowledge of the Inspector-General. The Council of Defence has to determine the policy subject to the Minister, who may override all. While we have every respect for our friend, the Minister of Defence, can it be said that he, by his training or knowledge, is qualified to determine the difficult questions which must arise from time to time in regard to the defence of this great country? It is absurd to suppose that the honorable gentleman is so qualified. If we had had a different body of men available to compose the Council of Defence the experiment might have been better justified. I am not blaming the present Minister for the state of affairs; he was not in office at the time the change was made, and made without sufficient consideration. It would have been much better if Australia had waited to see how the change worked in Great Britain, when we should have had a clear object lesson.

Senator PLAYFORD.—There is the same system in Canada.

Senator Lt.-Col. GOULD.—At present the system is practically on its trial, and in my opinion it has been adopted here at too early a date, when we have not men who are fully qualified to carry it into effect as efficiently as is necessary. Colonel Antill made a speech, when he was retiring from the Forces, and if ever there was a condemnation of the change of system, it is to be found in the words of that officer. Colonel Antill was a man of experience, who had been trained and placed on the Permanent Staff, and he left the Forces in order to better his position by going on the land. In a Sydney newspaper of two days ago, which I picked up in the train, I found an article headed "The Military

Muddle: Disgusted Officers: What is it Coming to?"

Senator PLAYFORD.—There is nothing in that article; it is all rubbish, to which there is a complete answer.

Senator Lt.-Col. GOULD.—Of course; it would be a strange thing if the Government had not a complete answer to everything. The newspaper gives a report of an interview with a military man—I do not know who he is—as to the reason for Major Hilliard's retirement. This officer spoke as follows:—

"He is one of the most valuable men we have," continued the officer, "but I don't think a yearning for pastoral pursuits has driven him to throw up a profession for which he was eminently suited, and in which he was so successful. No, the same mismanagement that drove Antill from the service in disgust has proved too much for Hilliard."

The interview goes on to declare that it is not the men we can afford to lose who are leaving the Forces, and the officer concluded by saying—

Anyhow, it looks as if soldiering in Australia had arrived at the gold-braid-and-button stage. There is no place for men who know their work.

That may or may not be true; and I see the Minister laughs at the statement.

Senator PLAYFORD.—I laugh it to scorn; there is no truth in it.

Senator Lt.-Col. GOULD.—We are told over and over again by military men that there is a feeling of disgust and dissatisfaction throughout the whole Forces—permanent, militia, and purely volunteer.

Senator PLAYFORD.—No, no.

Senator Lt.-Col. GOULD.—There must be some radical cause for this state of affairs.

Senator PLAYFORD.—The honorable senator is altogether wrong.

Senator Col. NEILD.—One of the leading professional officers of the Commonwealth says that the trouble is due to what happened under the late General Officer Commanding, and that it will take twenty-five years to put matters right.

Senator Lt.-Col. GOULD.—We know that Senator Neild has a "bee in his bonnet" in regard to one General Officer Commanding. That officer is now gone, and we have made a change in regard to the administration. Has there been any improvement in consequence of that change?

Senator PLAYFORD.—There has not been time.

Senator Lt.-Col. GOULD.—The Forces are now really in a worse position than they were before.

Senator PLAYFORD.—The Forces are now in a better position than ever. There are more men in the Forces, and they are better armed and better prepared to meet an enemy than ever before.

Senator Lt.-Col. GOULD.—I am very glad to have that assurance from the Minister of Defence; but the information which comes to me is of an entirely different character.

Senator PULSFORD.—And so is my information.

Senator Lt.-Col. GOULD.—What are we doing in regard to our defences? We are getting more rifles and ammunition, and a report is to come from people at Home as to the best system we can adopt generally. It is good to have more rifles; but when is the Government going to establish a small arms factory within the Commonwealth?

Senator PLAYFORD.—It would not pay.

Senator Lt.-Col. GOULD.—Is defence a paying concern? Is it not a matter of insurance for which we have to pay to insure our safety? Whether money can be made out of it or not, we ought to have a factory for small arms here, so that in time of difficulty, when we may not be able to import ammunition, we shall not have to throw down our rifles and beg consideration from the enemy.

Senator PLAYFORD.—The honorable senator is a good protectionist. I am glad to hear him say that.

Senator Lt.-Col. GOULD.—Then I ask the Minister if there is a port in the Commonwealth fitted to stand against an attack?

Senator PLAYFORD.—Yes, of course.

Senator Lt.-Col. GOULD.—I suppose that Sydney is about the most strongly fortified place in the Commonwealth; but where would Sydney be against some of the war vessels which might possibly be sent here? The other day the Minister of Defence stated that if any war vessel attempted to run into Sydney Harbor there would be such a hail of lead on the deck that it would find it impossible to get out again. But would any war vessel attempt to enter Sydney Harbor until the forts had been silenced? Would such a vessel not lie a few miles off the Heads and shell Sydney to pieces? We require guns to keep such vessels well off the coast.

Senator PLAYFORD.—And we have them. There are 9.2 guns at Coogee and Bondi.

Senator Lt.-Col. GOULD.—What would those guns be against 12-inch guns?

Senator PLAYFORD.—We are told there is no chance of a battle-ship coming out here against us.

Senator Lt.-Col. GOULD.—Then what need is there for a 12.5 gun on an ordinary protected cruiser which does not come within range of a 9.2 gun?

Senator PLAYFORD.—What does the honorable senator know about the matter?

Senator Lt.-Col. GOULD.—The other day a lecture was delivered in Sydney by the well-known writer, Mr. Frank T. Bullen, who pointed out that the *Powerful*, great ship as she is, would be helpless against the small Japanese cruiser then in Sydney Harbor, simply because the latter carried a 12.5 gun.

Senator PLAYFORD.—The honorable senator is talking of cruiser against cruiser, whereas the question is cruiser against forts. In the forts there are 9.2 guns, which can keep any armoured cruiser away.

Senator Lt.-Col. GOULD.—I know we have, at any rate, some 9.2 guns, but we have also a great many guns which are not worth the iron they are made of. We cannot, of course, defend our whole coastline, but we want strong defences for our cities, and the naval base, wherever it is, ought to be made impregnable.

Senator PLAYFORD.—And it is impregnable.

Senator Lt.-Col. GOULD.—Reference has been made to the usefulness of torpedo fleets, and if a proposal is introduced to carry out the suggestion offered, I shall be prepared to support it, so that we may have some floating defences, as well as the fixed defences on shore. The amount of damage done by the bombardment of any of our great cities would be simply incalculable.

Senator PLAYFORD.—Bombardments do not cause so much damage, after all. Look at the result of the bombardment of Paris.

Senator Lt.-Col. GOULD.—A great deal of damage was done to Paris.

Senator PLAYFORD.—There was precious little.

Senator Lt.-Col. GOULD.—In any case, such an event would greatly damage the prestige of Great Britain, and the Government ought to take every possible step to make this country practically impregnable. We talk a great deal about the annual

expenditure on our defences, but if we compare it with the expenditure by some smaller countries, with no greater population than ours, or with the expenditure of Great Britain, we find it to be a mere bagatelle. It would be a wise policy to expend more on our defences.

Senator PLAYFORD.—We spend annually over £1,000,000 now.

Senator Lt.-Col. GOULD.—It would be wise also not to regard officers who happen to be Australian as the only officers capable of taking charge of our defences. That has been suggested, and we also hear that our Inspector-General is to be an Australian.

Senator PLAYFORD.—Hear, hear!

Senator Lt.-Col. GOULD.—That is to be the qualification.

Senator PLAYFORD.—Oh, no.

Senator Lt.-Col. GOULD.—The qualifications ought to be fitness and ability.

Senator PLAYFORD.—We have men with such qualifications.

Senator Lt.-Col. GOULD. — If we have Australian officers possessing the requisite ability, no one would be better pleased than I should be to see them appointed to these high positions. But we should not imagine in regard to military or other matters that an Australian must necessarily have a monopoly of ability. No one is more anxious than I am that Australians shall occupy the most prominent positions in the Commonwealth service, but I do not wish them to do so at the cost of efficiency.

Senator PLAYFORD.—And it will not be done at the cost of efficiency.

Senator Lt.-Col. GOULD.—The Minister is acting wisely in sending to England and India officers who are to receive special military instruction. I hope that he will send still more away, for in that way we shall help to fit Australians to fill the high positions in the service. I deprecate the cry of "Australia for the Australians," irrespective of merit. We have practically the whole of the British Empire from which to make a selection, and we should be careful to recognise merit and to appoint the most capable men. If that be done, I shall be satisfied. I have no desire to further discuss the Address-in-Reply. I regard the Vice-Regal Speech as a very fine electioneering platform. It is very verbose, and commits the Government to little. As a rule, that is, I suppose, regarded as one of the advantages of an

electioneering speech, although a few that have been delivered here have certainly been definite and clear. I have no doubt that the Address-in-Reply will be carried without difficulty, and that by-and-by we shall have an opportunity to discuss more fully many other matters that are touched upon in it.

Senator PLAYFORD (South Australia—Minister of Defence) [12.18].—In ordinary circumstances, I should not have spoken to this question, because I think that in the vast majority of instances, there is a considerable waste of time in connexion with a debate on an Address-in-Reply. At the same time, such a debate has its advantages. It enables the Opposition to criticise the action of the Government during the recess, and to point out what, in their opinion, are the weak spots in the Administration. It has also the advantage of enabling the Government to meet any charges that may be brought against them. At times, it has the further advantage of enabling a want of confidence motion to be levelled at the Ministry—a privilege that has been exercised on numberless occasions. I do not propose at this stage to discuss at great length the question of Defence, which has been raised by Senator Gould. I merely wish to deal with two or three points that have been raised during the discussion, and in which the administration of my Department has been called in question. I am at one with Senator Gould in the belief that we ought to secure the most competent officers available, and that if we have not suitable men in the service, we should, if necessary, obtain them from outside. But when we have in Australia officers equally as well trained and as able as any from the mother country that I have ever met, it is only fair that we should encourage them. It is only reasonable that we should show them, that provided they display the requisite ability and acquire the necessary knowledge, the prizes of the service will be open to them. That is all that I ask.

Senator HIGGS.—That is all we ask with regard to the appointments in New Guinea.

Senator PLAYFORD.—Exactly. When Senator Gould dealt with the question of the ability of our officers to take high positions in the service, he showed that he has not that knowledge which I have obtained, during the last few months, in administering the Department. If he had, he would not have said what he did. We have more

than one officer eminently capable, and able to show a record superior even to that of the present Inspector-General. We have men who have seen more service and passed higher examinations than he has—men who are as able and as competent in every respect as he is.

Senator WALKER.—Men who have worked up from the ranks?

Senator PLAYFORD.—Yes.

Senator Lt.-Col. GOULD.—I am very glad to hear it.

Senator PLAYFORD.—In no case shall I agree to the appointment of an officer unless I am perfectly satisfied that he is eminently suited for the office which it is proposed he shall fill. We have many good officers, and to encourage the young men who are joining our service we should say that the prizes are open to them if they show that they have the requisite knowledge and character.

Senator FRASER.—We must give them an opportunity.

Senator PLAYFORD.—And we are doing so. The Boer war gave many of our officers an opportunity to acquire special knowledge in actual warfare. We have in the service men who have passed high examinations at Hythe and elsewhere, and who, from their records, stand practically second to no Imperial officer whose services we are likely to obtain. I intend, as far as I can, to encourage our officers. We have in our service many young men who are second to none to be found even in the British Army—men who have studied at Home, and who have made themselves masters of their work, and are enthusiastic and competent in every way. As to the complaint by Senator Gould that, instead of having a General Officer Commanding, to whom the Minister should apply for all necessary information, we have a Military Board. I would remind him that I was not responsible for the appointment of that body. As a rule, I do not care a fig about boards. During my political career I have knocked more boards "on the head," so to speak, than has any other honorable senator. I know that a board will work very well when it has at its head a highly competent man, who is practically the board. In the absence of such a man the system does not work so effectively; as a rule, a great deal of confusion and trouble arises, just as has occurred in connexion with the Railway Commissioners of New South Wales. As one who has worked with the Military

Board, I am able to say, however, that it proceeds on different lines from those usually adopted by such bodies. Usually the Minister in charge of the Department in connexion with which a board has been appointed does not occupy a seat upon it. The members of the Board meet and make their recommendations to him. All that he sees is the recommendations which they forward, and he arrives at a decision after reading the papers. The advantage of the Military Board, however, is that the Minister is a member of it. All important questions have to come before it, and the Minister hears what can be said for and against them. In this way he gains a great deal of information, and is able to determine the questions coming before him much more intelligently than would be the case if the Board were a thing apart from him. The position would be different if he did not hear all that was to be said for and against any proposal. Sometimes the Board takes up an antagonistic position to a proposition submitted to it, and arguments are advanced against it. The Minister thus enjoys the unique advantage of hearing all that can be said in favour of or in opposition to a proposal submitted to the Board in his presence. The system has been in operation for only a very short time. I did not appoint the Board, and I am in no way responsible to it, but I do say that so far it has worked very well. Here is the position that I take up in regard to it: We know that in New South Wales particularly there is a very strong feeling against it. But not one of those who criticise—and severely criticise—it can give a concrete instance of a wrong or baneful action by the Board. I have asked its critics to point to one case in which its action has had an injurious effect. I have said to these men, "Bring forward one case. Do not say, 'I do not believe in Boards; Boards do not do this or that,' but mention a case showing that during the last six or eight months the Board has taken action that has had an injurious effect on the service." What has been the result? One man in Sydney has said that the Forces are disorganized; that the position is not as good as it was, and that there are not so many men in the Forces as there were when Major-General Hutton was in charge. I find, however, that since the Board was appointed, the number of men in the Forces as compared with the number when

Major-General Hutton was General Officer Commanding has increased by nearly 2,000. In New South Wales alone, where we have helped the rifle club movement in every possible way, we have nearly 2,000 more men in the rifle clubs than we had in Major-General Hutton's time.

Senator Lt.-Col. GOULD.—But what control has the Department over the men in the rifle clubs?

Senator PLAYFORD.—It is not a question of control. In this democratic country we allow men to control themselves as far as possible; we give them all the liberty possible. We know that the members of the rifle clubs who learn how to shoot constitute a reserve force which, in time of war, will be useful to us. We have no special control over them. We have passed certain regulations relating to the clubs, We give them a supply of ammunition, and we have helped them by providing rifle butts and other conveniences. We are doing all that we can to encourage the rifle clubs and constitute one of the best and cheapest forces we could have. It is one which in time of invasion we could depend upon, after it had been drilled for a few weeks, to give as good an account of itself as the Boers did in South Africa, and that is saying a good deal. It is said again that the position is worse than it was before the Military Board was appointed. As a matter of fact, it is eminently satisfactory. I shall ask Parliament shortly to vote a sum sufficient to enable me to purchase more field guns. The Field Artillery is the most important arm of the service. I shall ask Parliament to vote a sum for the purchase of a number of the finest artillery guns, the 18-pounders, that are known in the world—a number sufficient to bring us up to absolute war strength. I shall also ask for a vote for the purchase of ammunition to supply every gun with 500 rounds. Then I shall ask the Legislature to pass a vote for the purchase of another 10,000 rifles. Last year a vote for the purchase of 8,000 rifles was agreed to, and I propose to make the further addition I have indicated. Parliament will likewise be asked to vote a sum sufficient to enable us to place our supply of ammunition on an absolute war footing, so that if a war broke out next day we should be able to say we had sufficient ammunition for the needs of all our men. We could to-day, if necessary, bring into the field

without difficulty a force of 60,000 men trained or partially trained. In the course of my tour through the Commonwealth I said to the colonels of the various Militia regiments, "In the case of war we should want you to double your numbers. Would you be able to do that?" When I put this question the other day to Lt.-Col. Williams, of Ballarat, he said, "I can double my regiment in a day or two, not by the addition of men who have not been drilled, but of men who have passed through the ranks in years gone by, and would be only too glad to come forward." We can double our forces. Then we have that grand reserve of nearly 40,000 riflemen on whom we can fall back.

Senator DOBSON.—Does the honorable senator mean to say that he has 40,000 riflemen, in addition to the 60,000?

Senator PLAYFORD.—No, I never said anything of the sort. The honorable senator is a most marvellous man.

Senator DOBSON.—The honorable senator said that he had that number to fall back upon.

Senator PLAYFORD.—I said that we could double our present force of 20,000 men, and that then we should have a reserve of 40,000 riflemen to fall back upon.

Senator DOBSON.—That is 80,000 men.

Senator PLAYFORD.—It must be remembered that amongst the riflemen there would be a certain number of elderly persons, who would not be able to take their share of the work. By deducting 20,000 from the actual number that we have now, and making a very great allowance here, we could put into the field an effective force armed with the finest artillery that the world knows of to-day, and armed, as regards the greater proportion, with the very best rifle, and as regards the balance with the second-best rifle. We could put 60,000 men into the field in a very short time to meet any force, but we shall never want them, because no such force would ever come here to attack us.

Senator PEARCE.—We should never want to do so until the British Navy was wiped off the face of the sea.

Senator PLAYFORD.—Exactly. I desire to say a few words in reply to Senator Millen, who evidently took up the position of leader of the Opposition. His remarks were couched in his usually fair spirit. He indulged in severe criticism, but when it is examined it discloses that the Opposition have very little cause for complaint against

the Government, and advance no reasons for offering any special opposition. What was the burden of his statement? After going back into the dim and misty past, he looked up the records of Parliament, and said that in the past the Barton and Deakin Ministries brought forward programmes which were a great deal too big, that they were never able to carry anything like a fair proportion of the measures which they had foreshadowed, and that the present speech was merely a continuation of that policy. He declared that we talked of asking Parliament to agree to the passage of measures which would never be brought forward, and which, therefore, would never be passed. If we are continuing the policy of the Barton Ministry, it shows, at all events, that we are consistent. The honorable senator could not say that there is any special inconsistency about the Deakin Ministry, nor did he try to show that any part of its policy is inconsistent. His second point is not the one which the members of the Opposition usually make. They generally say, "The Governor-General's speech is very long and very wordy, but there is nothing in it." On this occasion, however, all that is reversed. Senator Millen says, "This is a long speech certainly, but there is too much in it. We have got too much to do, and we cannot do it." I would suggest that, if we were to raise our aims a great deal higher, it would be a wise policy in the circumstances. I think that Senator Millen will find that we are in earnest in what we propose, and that we shall bring these measures forward, when the Parliament will have to deal with them. Whether they will be thrown out or not is another matter. I think he will find, however, that nearly all, if not all, the proposals which we say we intend to ask Parliament to consider—and they are not very numerous, if honorable senators will glance through the speech—will be submitted before the end of this session. The honorable senator went on to point out that two years ago I made a promise which I had not kept with reference to striking out of the speech the words "Gentlemen of the House of Representatives," as a preface to the paragraph relating to the economy with which the Estimates would be framed, and the expenditure of the votes arranged. Two years ago I believe I did make a promise. I have not looked up the matter, but I will take my honorable friend's word that I

did. I have only one excuse—if it is an excuse—to make, and that is that I forgot about the promise. If I had not forgotten that it was made, I guarantee that it would have been carried out. On the first occasion I was Minister for only a short time, and during the intervening two years a great many things have occurred, and I have had a considerable amount of work to do in connexion with the working of my own Department. It was simply a lapse of memory on my part. I promise that if I am here next year the use of this phrase shall not recur, so far as I am concerned. I promise that if I cannot prevent it occurring again, even if I am not here, and somebody else is in my place, he will be properly warned by my secretary as to what I have said on the subject, and then, if he chooses not to carry out the promise I made to the Senate, he will have to take the consequences, whatever they may be.

Senator COL. NEILD.—Hear, hear! That is quite fair.

Senator PLAYFORD.—There are two points—in fact, several points—which Senator Dobson made. His speech was offensive in more ways than one.

Senator DOBSON.—I am very sorry.

Senator PLAYFORD.—The honorable senator made offensive remarks relating to the Government, and most objectionable statements relating to the Labour Party. He used strong language—not guarded language at all. He put his remarks in the strongest possible way he could, and in an offensive way to them.

Senator DOBSON.—Let them speak for themselves. There was nothing offensive about my remarks.

Senator PLAYFORD.—I shall let them speak for themselves. I am only pointing out what the honorable senator did.

Senator DOBSON.—The question is whether my remarks were offensive or not. I only spoke about machine politics.

Senator PLAYFORD.—Oh!

Senator DOBSON.—Does the Minister want to gag me?

Senator PLAYFORD.—No.

Senator DOBSON.—I only repeated what the Prime Minister had said.

Senator PLAYFORD.—The language which the honorable senator used was, I consider, highly objectionable.

Senator DOBSON.—Let the Minister quote one sentence about the Labour Party which was offensive.

Senator PLAYFORD.—I have not got a copy of the honorable senator's speech, but he said that the members of the Labour Party came here, and were absolutely gagged—that they had no independence.

Senator DOBSON.—They have none.

Senator PLAYFORD.—Of course they have.

Senator DOBSON.—What rubbish!

Senator PLAYFORD.—They differ among themselves, as we saw only a short time ago, when Senator O'Keefe made one statement, and Senator Pearce another.

Senator DOBSON.—That is not what we mean by the term "independence." They are controlled by a machine outside, as the Minister knows.

Senator PLAYFORD.—Then the honorable senator made a statement relating to the presence of three parties in Parliament, and said that the Ministry were dependent upon the Labour Party's vote. That is perfectly true.

Senator DOBSON.—What is there offensive about that remark?

Senator PLAYFORD.—I have not the slightest objection to the statement in itself, but I object to the offensive way in which it was uttered, to the reference to our being at the beck and call, and under the domination of the Labour Party, and all that kind of thing.

Senator DOBSON.—The Minister is accustomed to it, surely? The Government are "mortgaged" to the Labour Party, so somebody said.

Senator PLAYFORD.—We have, as the honorable senator says, three parties in Parliament, and because no one party has an absolute majority we must have a coalition between two of the parties to carry on the government of the country.

Senator MULCAHY.—We do not like to see the tail wagging the dog.

Senator PLAYFORD.—The honorable senator does not want the dog to be wagged at all, I suppose. Where a Parliament comprises three parties, and no one party has an absolute majority, the only way in which the government can be carried on is by two of the parties working together. Senator Mulcahy will not dispute that statement, I think, because he knows that if necessary, I could cite hundreds of cases in which that has occurred. Lord Palmerston's Government, for instance, was kept in office by the Tories, though he was a Whig, because they did not like their opponents. The Radicals did not like Lord

Palmerston, and the Tories would not join with the Radicals to turn him out.

Senator DOBSON.—No; but the Tories were not a machine governed by an outside organization.

Senator PLAYFORD.—Does the honorable senator mean to say that the Tories were not a machine, that they had no definite policy and no caucus, that they did not arrange amongst themselves as to how they should vote, that they had no "whip" to whip them up.

Senator DOBSON.—They were not a machine.

Senator PLAYFORD.—They were a machine.

The PRESIDENT.—Order! I ask the Minister to address the Chair, and not Senator Dobson.

Senator PLAYFORD.—I beg your pardon, sir, because I have no right to turn my back upon the Chair. However, I do not wish to pursue that subject any further.

Senator DOBSON.—It is a nasty one.

Senator PLAYFORD.—I only know that the party to which I belong, and which we may call the Liberal Party—in one sense I do not care what it is called—are nearer in their views to the Labour Party than to the Conservative Party opposite. The Labour Party cannot support the Conservative Party, but they can support us and do consistently and fairly support us. If any senator is behind the times, I think it is Senator Dobson. Usually in a British Parliament in these days there are three parties—the party in office, the party in the cold shades of opposition, and the Labour Party; but in the Senate there is a fourth party, and that is a party by the name of Dobson. He is an independent party, because no party can depend upon him. The Conservatives cannot depend upon him, nor can we. When we were discussing the Tariff, it was difficult to find out where he was, or how he was going to vote.

Senator DOBSON.—I was not a machine.

Senator PLAYFORD.—If it was a question of imposing a duty on an article, such, for instance, as hops, in which his State was interested, the honorable senator was a protectionist, otherwise he was a rank free-trader. We never knew when we had him. Referring to a gentleman who had stood up in Parliament and said that he was an independent member, Lord Palmerston once said, "Well, gentlemen, my experience of

independent members is that they can never be depended upon." Senator Dobson also objected to my action in visiting different parts of the Commonwealth. He considered that the duty of a Minister of the Crown, especially a man who was working the big Department of Defence, the ramifications of which extend from one end of the Commonwealth to the other, is to sit quietly in his office, gather his officers round him, hear their reports, and give his decisions. That, I think, is not the way in which to govern a big Department.

Senator DOBSON.—I did not say anything about that.

Senator PLAYFORD.—An immense Department, which spends over £1,000,000 a year, wants some looking after. I think it is wise for the Minister of Defence, if he is not intimately acquainted with different parts of the Commonwealth, to pay a visit to them to see the defences over which he has some control, to meet the various officers in the different States who are under him, to inspect the drill halls, rifle ranges, magazines, fortifications, and so on. I hold that when he has made such visits he is better able to decide on questions than he would have been if he had remained in the barracks at Melbourne. By my visits I gained an immense amount of information. It is of very great use, and possibly will be of still greater use by-and-by. Yet Senator Dobson criticises my action, and says that I ought not to have done anything of the sort, that I had no right to go round with a number of officers about me. I really forget how many he said I had in my train. It was one of the most sensible actions I ever took, and it would be better for the Commonwealth if Senator Dobson and other legislators would go to parts which they have never seen. If the honorable senator were to go to the sugar plantations in Queensland, look at the kanakas, and make some acquaintance with those of whom he has spoken so much; if he were then to go to Western Australia and see its different places; in fact, if he were to go to any of the States—I do not care which of them—and gain fresh information, he would be better able to perform his duty as a senator than he will be if he remains in little Tasmania, and twirls his thumbs in his office.

Senator DOBSON.—I have plenty to do there.

Senator PLAYFORD.—The honorable senator said that I did another thing which

was wrong. He said it was an awful sin for me to give information to the press. I stated that Major Hawker's conduct was reprehensible. I made that statement in a minute. I said that he deserved punishment, and I left it to the Military Board to decide what the punishment should be.

Senator DOBSON. — The Minister repeated that to the press.

Senator PLAYFORD.—It was not repeated to the press until the official papers had been minuted and sent to the Military Board. I contend that, as I was dealing with a public officer, I had a right to let the public know what I had done. The public naturally expected to know what I, as Minister, thought about the case. I consider that I dealt very leniently and kindly with Major Hawker under the circumstances. I shall, whenever I think it necessary, give information to the press which will be of interest to the public. I am not one of those who desire to keep everything in the dark. There is certain information which we cannot give to the press, but it is my intention wherever I can to take the public into my confidence, and to do that through the medium of the reporters, whom I have found to be, on the whole, men possessed of rather vivid imagination. At times a few words used by me will make a paragraph, and occasionally I am rather astonished to find that the newspapers make mistakes in attributing to me things that I have never thought of in this world, and am not likely to think of in the next. Then I am told that I am a regular cur—although the honorable senator did not use that word—because Mr. Crouch wrote a letter to me about certain junior officers, and, Mr. Crouch being a supporter of the Government, I did not, in the opinion of Senator Dobson, answer him as I should have done if I had had more courage.

Senator DOBSON.—The honorable senator should not put words into my mouth which I never used. I say that he was lacking in courage.

Senator PLAYFORD.—The language used by Senator Dobson would be interpreted by any one who did not know me to mean that I had been a cur. Captain Crouch wrote to me asking that certain people should be treated leniently, and I replied that the whole matter had been handed over to another authority. Was it necessary for me to insult the man? Let

other people form their own opinions as to whether it was a proper letter to write, but it was not for me to insult the writer of it, whether he was the poorest man in the Commonwealth, or a Member of Parliament. Therefore, I gave him a proper answer. Then Senator Dobson cannot understand why Captain Collins was sent to London to do certain work in connexion with supplies for the Defence Department. He considers that that work could equally well be done by the Agents-General. He alleges that I have made a great mistake there, and have simply thrown away public money. Let me give the history of the affair. When I took office as Minister of Defence, I made inquiries as to how we obtained stores from the mother country. I knew that there must be cash transactions amounting to considerable sums. I found that the supplies required for defence purposes for any particular State were ordered through the Agent-General for that State in London. The Defence Department was, therefore, dealing with six different Agents-General. I inquired whether that method of transacting business did not conduce to a considerable amount of extra labour. I asked, "How does it work?" The reply was, "It does not work well at all." I found that the late Government had taken the matter into consideration, and had come to the conclusion that the whole of the business should be done through one Agent-General. It can readily be imagined which Agent-General of the six was to be chosen when we know that the matter was dealt with by the then Prime Minister, the Right Honorable George Reid. The one, of course was the Agent-General for New South Wales. He was to transact the whole of the business in connexion with the supply of stores from London to the Commonwealth. The proposal was sent on to Mr. Carruthers, who agreed to it. Practically, so far as I can see, the matter was settled, though no actual effect was given to the arrangement before the late Government went out of office. After the inquiries which I made, I would not give effect to it. I came to the conclusion that we could do the work more satisfactorily and better for ourselves. When I first took office the Secretary of the Defence Department, Captain Collins, was away on leave. He had taken the six months leave to which he was entitled under the regulations, and I did not see him for some months; but I

stor Playford.

had the advantage, in the meantime, of the services of my under-secretary, a most able and conscientious officer. When Captain Collins returned, I asked him to make a report on the whole subject. I will read one passage:—

There is no doubt that it would be much more satisfactory to have an office of our own than to conduct the business through officers over whom the Commonwealth has no direct control. The cash transactions in London are very considerable. On the 30th September last the Agent-General for Victoria acknowledged cash on Commonwealth account amounting to £98,000. The remittances made to the various Agents-General, for which vouchers have not yet been received, amount to £330,201. Bills not yet matured are now in the hands of the Agents-General to the amount of £67,157. There is no doubt that under the arrangement which we have entered into with the Government of New South Wales, which, of course, would not be carried out if a Commonwealth office were instituted in London, we should have to pay a considerable annual amount to that State, as we should impose on their Agent-General the necessity of keeping separate office and bank accounts.

The report points out that the then system of conducting the business through six Agents-General would not work; and, although the late Government had agreed that it should all be done through the Agent-General for New South Wales, I said, "No; I believe that it will pay us better to have our own office and to work through our own officers." I brought the whole subject before the Cabinet after obtaining a report from Mr. Halloran, of the Treasury, who backed up what Captain Collins said, in addition to which he mentioned other things to prove that we were not being served satisfactorily by the existing arrangement. I therefore came to the conclusion that it would pay us a great deal better as a Commonwealth to be served by our own officer. I had not the slightest idea of doing anything in connexion with a High Commissioner's office. I never troubled my head about the High Commissioner. I was simply working for my own Department.

Senator Lt.-Col. GOULD.—Is the new system working satisfactorily?

Senator PLAYFORD.—The new system has only just commenced, but I am certain that, under the able management of Captain Collins, it will work satisfactorily. We also have in London an officer from the Treasury, who is attending to the accounts, and there is not the slightest doubt that the whole business will be a great deal better managed than it has ever been before. Honorable senators can imagine what trouble we had when we were conducting the business

through six Agents-General. Sometimes articles that ought to have been shipped by sailing vessels at the lowest possible freight were sent by steamer, and we had to pay steamer freight. In a variety of ways we can save money. For instance, every Agent-General who received an order from the Commonwealth acted through the War Office. They simply passed the order on, and never took the slightest trouble about it afterwards, except to keep the account and pay the money. The War Office used to send on the order to the contractors, and then charged us a certain percentage for doing the work. Captain Collins said: "I can go direct to the contractors, ascertain the price paid by the War Office, and the contractors will make up the goods, pack them, and send them out, without our having to incur all this intermediate expense."

Senator PEARCE.—But who will look after the inspection of the goods?

Senator PLAYFORD.—We have our own officer to inspect them.

Senator DOBSON.—Did not the Agents-General know that they could go direct to the contractors?

Senator PLAYFORD.—They did not do it. If we are to have our business properly managed we must have our own office in London, and manage it for ourselves. We must have the officers under our own control, so that we can call them in question if necessary, and order them to do the things that we require. The only difference between what the late Government had arranged to do and what we have done is that the present Government has appointed an officer of its own, whereas the late Government said: "We will do the work through the Agent-General of one State."

Senator PEARCE.—It is not intended to make Captain Collins secretary to the High Commissioner?

Senator PLAYFORD.—No. I never discussed the question apart from the requirements of my own Department. What we have done is by no means mixed up with the High Commissioner question.

Sitting suspended from 1 to 2 p.m.

Senator PLAYFORD.—One point was alluded to by Senator O'Keefe, and also by Senator Pearce, who asked whether the Government were going to make any alteration in the mode in which the Tariff revenue is distributed after the term of five years has expired. The Treasurer has that matter under his considera-

tion, and he informs me that when he delivers his Budget speech he will be prepared to state what it is proposed to do. The Constitution lays it down that, until otherwise provided by Parliament, a certain mode shall be adopted, and if any alteration is intended, a Bill will have to be introduced. Of course, if it is proposed to make no change, the distribution will go on as at present. Senator Dobson, in speaking on defence matters, was good enough to say that the proposed new cadet scheme is "mean"—that is the usual style of the honorable senator—that it is "paltry," "pettifoggish," and "unworthy of the Commonwealth." The honorable senator, it will be seen, piles on the adjectives; and his words are a direct reflection on me as Minister of Defence. I was very curious to know what that honorable senator would have done had he been in my position, and he told us. There are over 200,000 boys in the Commonwealth between certain ages, and Senator Dobson would make it compulsory on all, or the greater portion, to undergo a certain amount of drill. The honorable senator will have nothing to do with the Education Departments of the States, but contends that we have a perfect right to ignore them, and to pass legislation to achieve the end he desires. He would provide that these boys should, under penalties, undergo drill for so many days in the year at certain stations, to be appointed, and this would involve the appointment of truant officers, and the creation of all sorts of machinery to carry out the scheme. When I hinted that if there were 100,000 cadets, or half the number contemplated by him, the cost would be £150,000 per annum at the start, he did not make it at all clear where the money was to come from. Senator Dobson is constantly crying out for economy and declaring that Tasmania has been seriously injured financially by Federation. He contends that Tasmania has lost, I do not know how many hundreds of thousands of pounds in consequence of the union, and yet he proposes to deliberately increase the military vote, so far as his own State is concerned, by a very large sum. In the past Tasmania has absolutely begged the Commonwealth not to pay the members of the Militia Forces in that State the same rate of pay that is given on the mainland, on the ground that, as a small State, it cannot afford the money. Yet Senator Dobson came forward with a gigantic scheme

which would involve the Commonwealth in an enormous expenditure immediately. Honorable senators know that it was the late Sir Frederick Sargood who inaugurated the cadet system in Victoria, where it was first adopted in Australia, and under the scheme of that gentleman the Victorian Government worked with the Education Department. At the inauguration of the Commonwealth the administration of the Defence Forces, of course, was handed over to the Federal Parliament. Victoria is the only State in which the Commonwealth has taken over this administration, so far as the cadets are concerned, and it has been considered for years that it would be undesirable to apply the policy to the whole of the States on the same lines. Three years ago a conference of officers met and drew up a scheme for establishing a cadet system throughout the Commonwealth. That scheme was considered by my predecessor, who regarded it as a little too ambitious, costing, as it would, £40,000 or £50,000.

Senator DOBSON.—It was not ambitious, but costly.

Senator PLAYFORD.—These schemes are always costly. The result was that my predecessor drew up a memorandum, which was submitted to the Premiers' Conference at Hobart. He modified the scheme very considerably, and, so far as I can ascertain, it met with general approval. But he did nothing in the matter, and the memorandum was there when I took office. I came to the conclusion that the scheme, in its main features, was good, and as I told honorable senators last year, I determined to introduce the system. Having approved of the principles, and made certain modifications in the scheme, I saw that it would be necessary to obtain the co-operation of the States, in order to make it a success. I got the Prime Minister to write a memorandum to the various States Premiers, asking each to send a delegate to a Conference to be held in Sydney. As my representative, I sent Colonel Hoad, one of the most able officers, together with the Under-Secretary, Mr. Pethebridge. The report of that Conference was unanimously adopted, and it was forwarded to the various Premiers for their approval. The report proposes that in New South Wales the strength shall be 7,500 cadets; in Victoria, 6,000; in Queensland, 2,600; in South Australia, 1,870; in Western Aus-

tralia, 1,200; and in Tasmania 900; making a total of a little over 20,000.

Senator DOBSON.—Is the only reason for limiting the number the consideration of cost?

Senator PLAYFORD.—I am not going to argue the question with the honorable senator, but merely to state the case: I do not desire to be led away on the question of cost. Of course, the cost is a very serious matter, and I have no doubt that had I proposed to provide £150,000 for a new cadet scheme, the honorable senator would have been the very first to adversely criticise the scheme, and complain bitterly of the cost it would cause to his own particular State, which, according to him, has been so frightfully injured by Federation.

Senator DOBSON.—There is no reason to exaggerate.

Senator PLAYFORD.—I ask whether the language of the honorable senator, which I have quoted, is not a trifle exaggerated. The honorable senator said that the proposed scheme is "mean," "paltry," "pettifogging," and "unworthy of the Commonwealth."

Senator DOBSON.—So it is.

Senator PLAYFORD.—That is the kind of language used by the honorable senator; yet, when I, on my part, use the mildest in my vocabulary, he objects.

Senator DOBSON.—No; the Minister is talking about £150,000, and there is a difference between that amount and £30,000.

Senator PLAYFORD.—The result was that the Premiers all agreed to the scheme, and undertook to give us the assistance of their Education Departments in order to administer this branch of our Forces on the same lines as in Victoria. Western Australia represented that there had not been quite as many cadets allotted to that State as it was entitled to, and suggested that the number should be 1,500; while at the same time South Australia complained that it had been allotted too many. On this, I agreed to take some from South Australia and add them to the number in Western Australia; and by that means the total number was kept at a little over 20,000. The whole of the States then agreed to the scheme as drawn up. The minutes of the Conference, and the whole of the papers have been laid on the table, or will be laid on the table, and honorable senators will have an opportunity to ascertain the position of affairs. We have now got the various States

in line in regard to, not a large, but a moderate, scheme, on the lines adopted in Victoria. The Government propose to take over the cadet system as established in New South Wales, and also a smaller scheme that has been carried out in Western Australia; and by this means the whole of the cadets will be brought under one administration. It is proposed to make use of the school teachers wherever possible as drill instructors. As to this, Senator Dobson complained bitterly that we propose to use teachers, and not competent instructors. But we are going to have competent instructors, because every one of the teachers who will be allowed to drill the boys will have to pass a certain examination showing his fitness for the work. The instruction to be given is not of a very high character, but preliminary to a great extent; and if we can get the services of competent teachers for a very small honorarium I contend that the moderate scheme will provide a foundation on which the Commonwealth may build in the future. If subsequently it is decided to extend the scheme as Senator Dobson desires, that may be done; but we all know that there is a day for small things in all new organizations. It is no use trying to rush to extremes at once; we had better start in a small way, and when the teachers have been obtained, and have got used to the work, provision may be made for 160,000 cadets, if it be deemed advisable.

Senator DOBSON.—I suppose the Minister knows that the scheme proposed does not apply to one-tenth of the youths of the Commonwealth?

Senator PLAYFORD.—I do not know whether the scheme applies to one-tenth, one-hundredth, or any particular proportion of the youths; but it applies where it never applied before. The scheme is a good beginning, which I can recommend to Parliament, and which I believe I shall be able to pass. Had I proposed a more ambitious scheme I might have failed altogether. The scheme has been approved by the States, and we must work with the States. I do not say that we are to be bound to the States in any way, but the States all form part of one Commonwealth, and are as much interested in the defence question as we are ourselves. Wherever we can we ought to work with the States.

Senator DOBSON.—That goes without saying.

Senator PLAYFORD.—Of course it does. Why does the honorable senator ob-

ject to the teachers having anything to do with the instruction?

Senator DOBSON.—Because the regulations provide that before a person can be an instructor he must be a teacher.

Senator PLAYFORD.—Nothing of the sort. A number of men, who are not teachers, but who are special instructors, will go about to train the teachers and inspect the schools. They will instruct boys, and have a general supervision of the whole system.

Senator DOBSON.—Is it not a fact that the instructors of the boys must be teachers?

Senator PLAYFORD.—No, not all of them. The instructor of the boys at any particular school is to be a teacher.

Senator DOBSON.—That is what I say; he must be a teacher.

Senator PLAYFORD.—But over and above, there will be men to go round and inspect, and see that the teachers are competent, and do their work.

Senator DOBSON.—I understand that.

Senator PLAYFORD.—Why should we not make use of the services of the teachers in this way in return for a small honorarium? In the great majority of cases the teachers are enthusiastic in the movement, and will do all they possibly can to promote it. I do not think I need say anything more on the subject; if necessary, I can refer to it again on the Estimates. The Government have no reason to complain of the way in which their very lengthy programme has been received in this and another place. I trust that when we finish our labours, before going to the constituencies, we shall be able to show that in the last session of the Parliament, which is often given up to talking to the electors, we have done some really solid work.

Senator WALKER.—Will the Minister kindly tell us whether the Government propose to do anything in regard to the kanakas at the end of this year?

Senator PLAYFORD.—That is not in my Department, and I really cannot answer the question. From my reading on the question, it appears that the Commonwealth is not specially called upon to deal with that matter, seeing that the kanakas have to be deported by State law.

Senator WALKER.—But what if the State does not intend to do anything?

Senator DOBSON.—Does the Minister say that the kanakas have to be deported under State law?

Senator PLAYFORD.—Yes. Every man who brought a kanaka into Queensland had, so far as I remember, to deposit a certain sum with the Government of the State, to be used for the purpose of deportation.

Senator DOBSON.—It is a Federal law under which they are deported.

Senator PLAYFORD.—No; the kanakas are deported under a contract made according to State law.

Senator DOBSON.—If kanakas do not re-engage they have to be deported, and I know the money is there to pay their passage.

Senator WALKER.—But a penalty of £100 is provided for any one who engages a kanaka after the period has expired.

Senator PLAYFORD. — I never lay claim to knowledge that I do not possess. I have not looked into the question, and I cannot give the honorable senator a definite answer, but I have no doubt that after consulting the Minister to whose Department the matter relates, I shall be able to supply him with the information he desires. If he puts a question on the notice-paper, I shall be very pleased to answer it.

Senator STANFORTH SMITH (Western Australia) [2.16].—A matter that has not been touched upon during this debate, although it is one of the greatest importance to the Commonwealth, and has lately attracted considerable attention in Australia and New Zealand, is the question of the control of the New Hebrides. Unfortunately, it has recently assumed a phase most unsatisfactory to Australia. I have always held that our external policy should not be one of extra-territorial aggrandisement, but that we should use every endeavour to keep foreign nations from forming a cordon of strategic bases around Australia. It should certainly be our effort to keep foreign powers from closing in upon Australia and establishing strategic bases that must always be a menace to our safety.

Senator HIGGS.—If the honorable senator were living in Germany or France, he would be paralyzed by the number of foreign nations round about him.

Senator STANFORTH SMITH. — The honorable senator may disagree with my views on this question. I am not professing to speak on behalf of the Senate; I am merely expressing my own opinions, and they are fortified by authorities far

more capable than I am. Captain Mahan has laid it down that the United States should endeavour to keep other nations in the Pacific at a distance of at least 3,000 or 4,000 miles from its shores, since cruisers are ineffective when at a greater distance from their coal supplies. The British own all the islands in the Pacific to the east of Australia, with the exception of New Caledonia and the New Hebrides. The ownership of the New Hebrides, which is in dispute, would be absolutely of no importance to Australia, but for the fact that there are in the group some excellent harbors suitable for use as strategic bases. It is unfortunate for the Commonwealth that those harbors exist. So far as the territory is concerned, we do not want it, and it is evident, from their action, that the British authorities do not want it. The point is that not only are the New Hebrides within striking distance of Australia, but that they lie on the flank of what will be Australia's principal trade route, when the Panama Canal has been completed. If those islands fall into the hands of a foreign power, our principal trade route will be menaced, and we shall be liable to be cut off by a strong foreign power possessing magnificent harbors on our flank. The blame for this has been laid with wonderful unanimity at the door of the British Colonial Office; but any one who has studied the history of the New Hebrides during the last fifty years, will recognise that Australia is equally blame-worthy. We have done nothing except complain of the inaction of Great Britain. It is quite evident that the New Hebrides are of special importance to Australia, whilst, speaking generally, they are of no value to Great Britain. Notwithstanding this, we have refused to do anything in our own behalf; but have been content to complain incessantly of the failure of Great Britain to take decisive action. Twenty-five years ago the New Hebrides were practically owned and controlled by the British people, yet the French residents there now outnumber the British residents, and the French trade preponderates. A year or two ago, the Anglo-French agreement was arrived at, but Australia has always been kept in the dark by the Department of External Affairs as to what is being done, and we do not know what despatches have passed to and fro. Before the representatives of the different powers

met to consider the terms of the proposed agreement, I urged that the New Hebrides should be exchanged for territory in Senegambia, as well as on the banks of Lake Tchad, which the French were exceedingly anxious to secure, in order to make more effective their vast African possessions. I made that suggestion, not on my own initiative, but upon that of a prominent French authority, M. Paul Leroy-Boileau who suggested that the New Hebrides should be exchanged for those small territories. When the text of the Anglo-French agreement was published, I was much aggrieved by the discovery that apparently nothing had been done by Australia to give effect to this suggestion, and that Newfoundland had jumped our claim, settling her difference with the French—which had been going on since the Treaty of Utrecht—by means of the handing over to the French of the very territory that should have been exchanged for the New Hebrides. In the absence of any statement that such an exchange was urged on behalf of Australia, it must be admitted that we have been very lax. The agreement is a self-denying ordinance, in which both powers agree not to annex the New Hebrides. That being so, it is impossible for us to ask Great Britain to abrogate a clause in the agreement which her representatives have signed. It must remain in force until conditions in the New Hebrides change so completely as to make the agreement untenable. The position will then be altered by one or other of the nations obtaining what is known as effective occupation. The French Government have used every endeavour to induce their people to go to the New Hebrides. On the other hand, Australians who have gone out there have not received fair treatment. I venture to say that Australians are better colonists, man for man, than are the French. The Anglo-Saxon is a better colonizing power than is the French, but our colonists in the New Hebrides have been subjected to the most appalling disabilities. Whilst the French have placed the islands on the most favoured colony basis, we have shut our doors to those whom we have sent out there. Prior to Federation, when their produce obtained free entry into New South Wales, they were doing very well, but since then the position has been changed. The agitation for Federation was initiated because of the position in regard to the Pacific Islands, and yet, strangely enough, as the

practical result of Federation, British colonists in the New Hebrides are in a worse position than before. This is a most unsatisfactory state of affairs. The unfortunate Australians who have gone out there have been practically marooned; they have been left without help. The French give the produce of their colonists free entry into New Caledonia, whereas the produce of the Australian settlers is shut out, not only from Noumea, but from the Commonwealth. As a last resort, they must either sell their lands to the French or take out naturalization papers, and become French subjects.

Senator HIGGS.—Why did they leave Australia?

Senator STANFORTH SMITH. — When they left here the produce of the islands could be imported free of duty into New South Wales.

Senator HIGGS.—But why did they leave here? There was plenty of land for them in Australia.

Senator STANFORTH SMITH. — Why have men left Australia for South Africa? Every man has a right to determine for himself what occupation he will follow. An old-established British planter in the New Hebrides has just returned there with the intention of changing his nationality, since Australia has treated her colonists there so badly. Let us contrast the policy which has the approbation of Senator Higgs with that of the late Mr. Richard Seddon, who was just as good a protectionist as he is. What did he do in like circumstances? He knew very well that the all-important question was that of defence, and when he secured for his Colony the islands lying between New Zealand and Panama, he did not raise any miserable, petty-foggy question about the free entry into New Zealand of a few bags of maize from the Cook Islands. He allowed absolute free-trade between the Colony and those islands.

Senator MCGREGOR.—There is not much maize grown in New Zealand.

Senator STANFORTH SMITH.—The quantity raised there is far greater than is that produced in the State of which the honorable senator is a representative. The quantity produced in the New Hebrides by Australian settlers is so small that if it were exported to Australia it would not affect the price of maize by one farthing per bag. The quantity we import from New Zealand at present is larger than that which

would come from the New Hebrides if it were admitted free of duty. I proposed some time ago that we should allow maize grown on land owned by Australians in the group to come in free for a period of five years, by which time their cocoanut trees would be in bearing. That proposal was rejected. Each successive Minister for External Affairs said that nothing could be done, but when Mr. Seddon came over here and proposed that some action should be taken in this direction, every one said at once that it was most necessary that a decisive step should be taken.

Senator HIGGS.—Every one did not say so.

Senator STANFORTH SMITH.—I sincerely hope that decisive action will be taken by the Commonwealth, and that something will be done to prevent these important harbors from falling into the hands of a foreign power, and being used against us in the future. The two strategic bases in the New Hebrides are Havana Harbor in Sandwich Island and Vila Harbor on Mallicolo Island. These are superior to Noumea Harbor; in fact the latter is not a safe harbor for a strategic base, because when the wind is blowing in a certain direction it is not safe for shipping, and therefore the French cannot form an effective strategic base which could be used against Australia, unless they get hold of the New Hebrides. The Anglo-French agreement, owing to the composition of the Board, has been decided in a way which is most injurious and detrimental to the interests of Australia. Monsieur St. Germain, the Chairman of the Board, when it was all over, said that the French had achieved an unhopèd-for success. If the French were so jubilant at the result of the agreement, we may be very sure that the British came off very badly. In fact, the British were absolutely out-manœuvred in the whole of the negotiations. If we glance for a moment at the composition of the Board we can see easily what was the cause of that result. The Frenchmen on the Board had lived in New Caledonia and the New Hebrides, and possessed a practical knowledge of the whole of the requirements. Of the British representatives on the Board not one had ever been to the New Hebrides, or knew anything about the group personally. Monsieur Picanon, Governor of New Caledonia, had toured through the group every quarter, and was thoroughly *au fait* with the conditions and aspirations of the

residents. He was recalled by the French Government, and made a member of the Board. Captain Bourge, who was commander of the steamer *Pacifique*, which runs between Sydney and Noumea, and is a thorough authority upon harbors and sea-way, was another Frenchman on the Board, with a full practical knowledge, while Monsieur St. Germain had lived for a number of years in the New Hebrides. France was represented by three experts with practical knowledge, while Great Britain was represented by men who had never seen the New Hebrides, and naturally the French over-reached the British in their negotiations. The result is that they made a proposal with regard to a judicial tribunal, which is most injurious to Australian interests. They propose that the Court shall consist of one British subject, one French subject, and a chairman who shall be neutral, and appointed by perhaps Holland or Spain. The system proposed is—first, that disputes between French and British subjects shall be settled by the mixed court; secondly, that disputes between whites and natives shall be settled by the mixed court; thirdly that disputes between French subjects and natives shall be settled absolutely by a French Judge; and fourthly, that disputes between British subjects and natives shall be settled by a British Judge. Any one who is acquainted with the local conditions will know that the French people are pushing their way by selling guns and spirits to the natives. If French subjects are to be tried by a French Judge, we may be quite sure that they will get off on some technical point; and if British subjects are to be tried by a British Judge, we may be quite sure that they will not get off. We know the traditions of the British people there, and their actions in past times, and, therefore, we may be satisfied that British offenders will be heavily fined. We can never put down rum and arms selling there unless every case be tried by one mixed Court. If a British subject were being tried, then the British member of the Court could explain the British system of law, and the three members could come to a decision as to the facts of the case. If a French subject were being tried by the mixed Court, the French representative could explain the French law, and the three representatives could come to a decision on the facts. But as the Court is now constituted, it will accentuate the present inequality between the powers of the French and the

British. The French will continue to sell their liquor and arms in the New Hebrides, and the British rightly will be prohibited from doing so. Then we come to a proposal with regard to municipal government. The British, who are nearly equal in number to the French, are scattered throughout the island, while the French are congregated round the principal strategic bases, and the inevitable result of this municipal system will be that, under the municipal laws, the French will absolutely control every port in the group which is of any importance. They will control Vila and Port Sandwich; they will also control the only harbor in the Island of Santo—the most northerly and largest one—because the French are settled all round there, and, naturally, at an election their representative will be returned. That system will practically hand over the government of the New Hebrides to the French people. Another matter which I think will interest Senator Higgs, who, I observe, has disappeared, is the question of the renewal of the importation of criminals into New Caledonia. In that island there were two newspapers called *La France Australie* and *La Caledonie*, one of which was strenuously opposed to transportation, and the other strenuously in favour of the system. The French have been talking lately with regard to the necessity of getting rid of their criminals, and sending them to New Caledonia, and it is very significant that the whole press of New Caledonia is now absolutely in favour of the proposal. I do not know whether the Government of the Commonwealth have taken any action in the matter; if they have, Parliament has had no notification of it, and I presume that even Senator Higgs will agree that the question of the renewal of the transportation of the offscourings of the French gaols to the Pacific is one which could well be considered by the Government. I do not intend to dwell further upon that subject, but to speak about the defences of our principal strategic bases within the Commonwealth. I was very much surprised to hear a proposal that the strategic base of Albany should be practically abandoned in favour of the port of Fremantle. There is not in all Australia a more important strategic base than Albany. It is a magnificent harbor, suitable for holding the largest squadron of battle-ships. It is the only port which is right on what is, and will be, our

principal trade route. All our commerce—our wheat, our gold, and our wool—goes past Albany to Great Britain and Europe. Yet some individual has said that this base should be practically abandoned, and that we should devote our attention in Western Australia solely to Fremantle. If we take the opinions of the ablest experts who have reported upon the defence of Australia—I allude to men like Sir Peter Scratchley, Sir Bevan Edwards, and Sir Edward Hutton—it will be found that they all insisted upon the immense importance of Albany as a strategic base, and pointed out that Sydney, Thursday Island, and Albany are the three strategic bases of Australia. Yet some person not half as competent to judge as those experts, who were paid to give these reports, is now calmly proposing the practical abandonment of Albany—a port which is in railway communication with the most important parts of Western Australia, and one which any nation would like to make its base, if there were a concerted attack upon Australia, while it is the most favorable base from which to destroy our ships and commerce. We rightly fortified Fremantle, and I hope that when the guns are obtained for that port they will be 9.2 guns, and not the 6-inch guns which it was previously thought would be sufficient there.

Senator PLAYFORD.—They were 7.5 guns which it was previously agreed to order.

Senator STANFORTH SMITH. — What guns does the Minister propose to put in there now?

Senator PLAYFORD.—We are waiting for the report of the Imperial Council of Defence on the subject.

Senator STANFORTH SMITH. — I hope that the suggestion that Albany should be practically deprived of its garrison, and that it should not be regarded as an important strategic base will not be considered until we get some competent authority to report on the matter. Before sitting down, I wish to refer to the bookkeeping system. It is evident to every one here that the bookkeeping section in the Constitution was a recognition of the unequal *per capita* contribution of the various States to the Federal revenue, on account of the divergent conditions. If it had not been inserted, what would have been the effect upon Western Australia? The taxpayers of Western Australia would have had to pay to the Treasurers of the Eastern States £2,600,000, not one penny of which they

would have had a valid claim to. According to the Constitution, the bookkeeping system is mandatory for the first five years and permissive afterwards. What was the clear intention of the framers of the Constitution? It was that the bookkeeping system should be continued so long as the inequalities continued. If the bookkeeping system was right, just, and necessary in the first five years of the Federation, is it not equally right, just, and necessary during the second period of five years, if that inequality still exists?

Senator DOBSON.—I think that the honorable senator is wrong in his contention that the bookkeeping system was intended to remain as long as the conditions of revenue were unequal.

Senator STANFORTH SMITH. — I think that my honorable friend's wish is father to the thought. He is so exercised with regard to getting more revenue for Tasmania, and keeping her people, who, I may say, are the most lightly-taxed people in the Commonwealth, that he would be quite willing to put his hands into the Treasury of Western Australia, if he had the chance.

Senator DOBSON.—I am talking of a fact—that the words "Parliament may provide, on such basis as it deems fair," were placed in the Constitution to enable Parliament to do whatever it thought to be necessary after the expiration of the five years.

Senator STANFORTH SMITH. — It was impossible for the framers of the Constitution to tell that these inequalities would not disappear in five years' time. Therefore, they made the provision mandatory for five years, and permissive afterwards. Why? Simply because they were unable to say whether the then existing conditions would continue, and they left it for Parliament to decide. I have no fear that there will be any proposal to abolish the bookkeeping provisions. I have too much confidence in the justice of my fellow Australians to believe that they would allow such a thing to happen. I do not believe that this Ministry, or any Ministry that will come into existence, would dare to propose such a thing.

Senator DE LARGIE.—What about the States Premiers?

Senator STANFORTH SMITH.—We do not care about the States Premiers. It is the members of the Federal Parliament who have to act under the Constitution;

and if certain Federal members want to exploit one State for their own benefit, the Australian people will absolutely repudiate such an unholy undertaking.

Senator DOBSON.—Oh!

Senator STANFORTH SMITH. — Senator Dobson is one of those who have strenuously advocated the sweeping away of the bookkeeping system. I have read some of his speeches delivered in Tasmania. He has been posing with one hand in Western Australia's pocket and the other on his heart, saying, "Let us do justice as between State and State!" I have not the slightest fear that any Ministry will venture to make such a proposal as he desires. But there is a fear that some Ministry may try to get behind the bookkeeping sections by proposing a sliding scale, which will be, in its results, almost as bad as if the bookkeeping sections were abolished.

Senator BEST.—The sliding-scale principle was adopted in the Constitution itself.

Senator STANFORTH SMITH. — There is not a word in the Constitution to the effect that the bookkeeping system should give place to a sliding scale.

Senator BEST.—There is with regard to the special Tariff.

Senator STANFORTH SMITH.—We are not talking about the Tariff. What is the difference between sweeping away the bookkeeping system and removing it by a sliding scale? Simply that the one method is sudden and the other is gradual. The second method is like cutting off a dog's tail one joint at a time to save pain to the animal, instead of cutting it off all at once. The result is just the same. The only fair thing to do is to renew the bookkeeping system absolutely, and intact, for at least five years—until, at any rate, we have to consider the whole question of our finances when the Braddon section expires. If there is, at the end of that time, still a great inequality amounting to £400,000 a year—the loss of which would mean the absolute stoppage of development in the young and vigorous State of Western Australia—the bookkeeping system would have to be continued for a longer term. But while the present inequality regarding Western Australia exists, we can take steps to have a common purse for such of the States as are anxious to have one, if their anxiety is not stimulated by their desire to exploit Western Australia. There is no difficulty about it whatever. It is quite easy to have a common purse for Tasmania, South Australia,

New South Wales, Victoria, and Queensland, quite apart from Western Australia.

Senator BEST.—Victoria has always stood by Western Australia.

Senator STANFORTH SMITH.—She has, and we quite recognise her justice in doing so. None are more annoyed than the representatives of Tasmania at finding that Victoria and New South Wales are on our side, and that they will be unable to exploit the other States for the benefit of their own.

Senator DOBSON.—One would think we were all robbers!

Senator STANFORTH SMITH.—After listening to the speech of the honorable senator, in advocating the abrogation of the bookkeeping system, one would form a very poor idea of the honesty of Australian politicians. I refer especially to Senator Dobson, who, in the recess, went all over Tasmania pointing out the desirableness of advocating the abolition of the bookkeeping provisions, and pointing out how much his own State would make out of Western Australia.

Question resolved in the affirmative.

DESIGNS BILL.

Bill presented by Senator KEATING, and read a first time.

METEOROLOGY BILL.

Bill presented by Senator KEATING, and read a first time.

MILITARY BUILDING: CENTENNIAL PARK, SYDNEY.

Motion (by Senator Col. NEILD) agreed to—

That there be laid upon the table of this Senate copies of all papers connected with the proposed erection of a building for military purposes in the Centennial Park, Sydney.

CONVEYANCE OF MEMBERS OF PARLIAMENT.

Motion (by Senator Col. NEILD) agreed to—

That there be laid upon the table of this Senate a copy of the contract or agreement made between the Commonwealth and the Railway Commissioners of New South Wales for the conveyance of Members of the Federal Parliament.

FEDERAL CAPITAL.

Motion (by Senator Col. NEILD) agreed to—

That there be laid upon the table of this Senate copies of all documents relating to the question of the selection of a site for the Federal Capital, of a later date than those last laid upon the table.

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CONFERENCE OF FRUIT EXPORTERS.

Motion (by Senator MILLEN, for Senator MACFARLANE) agreed to—

That there be laid on the table of the Senate a copy of the resolutions carried at the recent conference of officials and fruit exporters held in Sydney, at the invitation of the Minister of Trade and Customs, in regard to regulations under the Commerce Act.

ELECTORAL DIVISIONS: NEW SOUTH WALES.

Senator KEATING (Tasmania—Honorary Minister) [2.59].—I move—

That the Senate approves of the distribution of the State of New South Wales into Electoral Divisions, as proposed by His Honour Judge Murray, the Commissioner for the purpose of distributing the said State into Divisions, in his report laid before Parliament on the 7th day of June, 1906.

I need hardly remind honorable senators that for some time past consideration has been given by those interested to the question of the representation of the States of New South Wales and Victoria in the House of Representatives. Before the beginning of last session it had been intimated in various quarters that New South Wales was not receiving the proper measure of representation to which she was entitled under the Constitution, and that the State of Victoria was receiving more than her share. Some discussion took place as to how, in accordance with the terms of the Constitution, representation should be re-apportioned, so that each State would get its proper measure. In order that there might be no doubt about the procedure, an Act was passed, called the Representation Act. By virtue of the provisions of that measure, an inquiry has to be instituted as to the population of the several States, for the purpose of determining the representation to which each is entitled in the House of Representatives. We provided for what was called an Enumeration Day; and we decided that every census day should be an enumeration day throughout the Commonwealth, and that between the decennial censuses there should be an intervening day—about five years from the census—which should also be an enumeration day. And on every enumeration day, whether such an enumeration day as I have mentioned, or a census day adopted for the purpose, the Chief Electoral Officer of the Commonwealth must ascertain the popula-

tion of the whole of the Commonwealth and of each of the States. In accordance with the provisions of the Act, the 11th of December last was fixed as the enumeration day, and on that day the Chief Electoral Officer of the Commonwealth ascertained, according to the principles laid down in the Representation Act and schedules, the population of the whole of the Commonwealth and of the several States. Those figures were obtained by communicating with the Statisticians of the various States, and asking for returns showing the numbers of the people as on the 30th September, 1905, in each State. The information was received from the various Statisticians on the 10th January of this year, and on the 12th January the Chief Electoral Officer furnished the certificate required by the Representation Act, showing the number of people in the Commonwealth and in the several States, and a copy of that certificate was published in the *Commonwealth Gazette* on the 16th January. That certificate has, since the assembling of Parliament, been laid on the table of the Senate. In accordance with that certificate, as issued and gazetted—I shall refer more particularly to it later—the Chief Electoral Officer on the 16th January reported as to the necessity or otherwise of a redistribution of the States of New South Wales, Victoria, Queensland, South Australia, and Tasmania, and on the 2nd February as to the redistribution of the State of Western Australia. So far as New South Wales and Victoria were concerned, the figures relative to population showed that a redistribution was necessary. The figures showed that New South Wales was no longer entitled to twenty-six representatives, but to twenty-seven; and that Victoria, instead of being entitled to twenty-three members, was entitled to only twenty-two. With regard to Queensland, the figures as to population revealed no necessity for redistribution; but the amending Electoral Act of last session, section 23, sub-section 2, paragraph *b*, provides that—

A proclamation directing a redistribution of any State into divisions may be issued whenever in one-fourth of the divisions in the State the number of electors differs from a quota ascertained in the manner provided in such Act by a greater extent than one-fifth more or one-fifth less.

In the State of Queensland it was found that in five out of the nine divisions the electoral population was either above or below the margin of allowance. It was in con-

Senator Keating.

sequence of the necessity imposed by the Electoral Act for a redistribution, whenever such a contingency occurred in a certain proportion of the electorates of a State, that Queensland had to be redistributed. In regard to the States of South Australia and Tasmania, neither the provisions of the Representation Act nor the Electoral Act necessitated a redistribution of these States. Later on a proclamation was issued, directing the distribution of the State of Western Australia. In the case of Western Australia the figures revealed no necessity for a redistribution. As honorable senators know, Western Australia—

Senator MILLEN.—Is the Minister now dealing with the whole of the States?

Senator KEATING.—I am taking the opportunity to deal generally with the whole scheme, so as to avoid the necessity of repetition in the case of each of the other motions. Proclamations were issued in regard to Victoria and New South Wales on the 23rd January, necessitated by population, and by reasons that were shown for a different measure of representation than heretofore enjoyed by those States. Queensland, on the other hand, had a proclamation issued on the same date, because in the existing divisions there was a deviation from the principle laid down in the Electoral Act, section 23, sub-section 2, paragraph *b*—the provisions of which I have already quoted. These circumstances were in existence in regard to Queensland, and in consequence a proclamation for a redistribution of that State was issued, under the provisions of section 23 of the Electoral Act. As honorable senators are aware, Western Australia is entitled to five representatives by virtue of the Constitution, irrespective of what the population may be, and the same applies to Tasmania, and, indeed, to any other State if the population falls below the necessary number to entitle it to five representatives. The circumstances were not entirely similar to those in Queensland, but in one electorate there was a deviation from the quota—I forget for the moment which way—of one-fifth more or less. The preceding Administration had taken steps for a redistribution in the case of Western Australia. It was deemed advisable, in order, while other redistributions were taking place, to have a redistribution in Western Australia, so as to have no single electorate out of harmony with the general provisions for deviation from the quota.

For that reason a redistribution was directed by proclamation in the case of Western Australia. In every case a Commissioner was appointed, as provided by the Electoral Act. The Commissioner selected in each case was one who had been appointed for a similar purpose by the preceding Government. But in order to prevent any technical objections which might be hereafter raised, the Government took the extra precaution of, so to speak, recalling the existing commissions, and issuing to each of those gentlemen another commission, superseding the former one, and thus practically doing the work *de novo*. Honorable senators have had furnished to them the plans of the proposed schemes of redistribution, and the reports made by the different Commissioners, and I am now moving, in accordance with notice, that the distribution with regard to New South Wales be agreed to. It will probably be interesting to honorable senators to know briefly what is the effect of the distribution. According to the determination of the Chief Electoral Officer, in pursuance of the provisions of section 9 of the Representation Act, New South Wales was entitled to twenty-seven members in the House of Representatives, Victoria to twenty-two, Queensland to nine, South Australia to seven, and Western Australia and Tasmania to five each. According to the certificate of the Chief Electoral Officer previously referred to, the population in the various States on the 30th September, 1905, was:—New South Wales, 1,483,393; Victoria, 1,214,098; Queensland, 506,935; South Australia, 372,768; Western Australia, 247,072; and Tasmania, 178,627, making a total for the Commonwealth of 4,002,893. In accordance with section 10 of the Representation Act, a quota has to be ascertained by dividing the total population of the Commonwealth by twice the number of the members of the Senate, namely, by seventy-two. That figure divided into the total population gives a quota of 55,595, with a remainder over of fifty-three. Then, in order to determine the representation for each of the States, the population of each State has to be divided by the quota, and if on such division there is a remainder greater than one-half the quota, one more member shall be chosen in the State. In the case of New South Wales, when the quota of 55,595 is divided into the population, a quotient is given of twenty-six, with

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a remainder of 37,923. That remainder is more than half the quota, and, consequently, New South Wales is entitled to twenty-seven representatives instead of twenty-six. Proceeding in the same way in regard to Victoria, a quotient is given of twenty-one, with 46,603 over. The remainder is more than half the quota, so that Victorian representation has to have one added, making twenty-two representatives. In regard to Queensland, the quotient is nine, with 6,580 over, and that not being more than half the quota, nine remains as the number of representatives. In South Australia, the quotient is six, with 39,198 over, and that being more than half the quota, the State becomes entitled to seven representatives. The return as to Western Australia is interesting. The quotient is four, with 24,692 over. The remainder is less than half the quota, so that the proper representation to which Western Australia is entitled, apart from the constitutional provision, is four and not five. Under the Constitution, however, Western Australia is entitled to five representatives. In the case of Tasmania, the quotient is three, with 11,842 over, and that being less than half the quota, the representation to which Tasmania, apart from the Constitution, is entitled would be three, but, as in the case of Western Australia, the representation remains at five. With those figures, the Chief Electoral Officer supplied the different Commissioners, who received their instructions with their commissions. In the case of New South Wales, the Commissioner chosen was Judge Murray, who is responsible for the redistribution which I am now submitting for the consideration of the Senate. As honorable senators are aware, there were previously twenty-six electorates for New South Wales, and under the proposed redistribution there will be twenty-seven. Under the existing distribution of twenty-six divisions the quota is 25,895, and under the provision of the Electoral Act, which allow for a deviation of one-fifth either way, the maximum number of electors that should be in any electorate in New South Wales is 31,074, and the minimum 20,716, the margin of allowance being 5,179 either way from the quota of 25,895. In the twenty-six divisions there are several electorates where the maximum is exceeded and several where the numbers do not reach the minimum. Those above a maximum are Dalley with 1,709 above; East Sydney with 39; Lang with 6,475; Newcastle with

1,555; North Sydney with 7,515; Parkes with 5,730; South Sydney with 189, and Wentworth with 620. Here we have eight electorates out of harmony with the provision of the Electoral Act, in so far that the number of electors is in excess, not of the quota, but of the maximum number of electors allowed by law for any division. The electorates in which the numbers are below the minimum are:—Barrier with 724 below; Bland with 902; Canobolas with 633; Darling with 6,548; and Riverina with 4,723. That makes five electorates which are out of harmony with the principles of the Electoral Act in so far that they contain numbers below the minimum required by the Electoral Act. Honorable senators have had an opportunity to inspect the maps exhibiting the changes, and I have here a list of the proposed divisions showing what part of the present electoral districts are contained in them, together with the estimated electoral population resident in each. In East Sydney, which takes in parts of the present divisions of East Sydney, Wentworth, and West Sydney, the estimated electoral population is 27,994. West Sydney has an electoral population of 28,040, whilst a new division which takes in parts of the present electorates of Lang, South Sydney, and West Sydney, and for which the name "Cook" has been suggested by the Commissioner, has an estimated electoral population of 26,400. South Sydney has an estimated electoral population of 27,162; Wentworth, 25,594; North Sydney, 25,916; Dalley, 27,620; Parkes, 26,363; and Lang, 25,986. A new division, comprising parts of the present electorates of Illawarra, Parkes, and Parramatta, for which the name "Nepean" has been suggested, has an estimated electoral population of 25,921; and Parramatta, an estimated electoral population of 26,339. These are the metropolitan and sub-metropolitan divisions, and they have a total electoral population of 293,335. Honorable senators will see that there is very little variation in the electoral population of all these divisions. In addition to these eleven metropolitan and sub-metropolitan there are sixteen country, or extra metropolitan divisions, the population of which ranges from 27,000, which is above the quota, to 21,000, which is below it. In no instance is there a deviation from the quota to the extent of more than one-fifth above or below. The electoral population of the divisions is

Senator Keating.

as far as possible preserved on an equal footing. Of these sixteen divisions only one is new in name and substance. I refer to the division for which the name of "Mitchell" has been suggested, which takes in parts of the present electorates of Bland, Canobolas, Macquarie, and Robertson, and has an electoral population of 24,040. The Commissioner who has proposed the redistribution has suggested certain names for the new electorates, but as honorable senators are aware, the Electoral Act leaves to the Governor-General in Council the power to proclaim the names and boundaries of the divisions. The function of the Commissioner is to distribute the States into electoral divisions. Due consideration is, of course, paid by the Governor-General in Council to any legitimate representation or suggestion as to the naming of the electorates, but the names of "Cook," "Nepean," and "Mitchell" have a particular significance, especially to those who are acquainted with the history of New South Wales. I do not propose to do anything further than submit the motion in the terms in which it is couched. Every opportunity is afforded by the Electoral Act to those who wish to register objections to the proposed divisions. Certain representations have been made to His Honour Judge Murray, and after carefully considering them he has given effect to some and set aside others. Honorable senators who choose to peruse the comprehensive report that His Honour has furnished upon this subject will find for themselves his reasons for not acceding to certain representations, and the reason why, in other instances, he thought that the suggestions were worthy of acceptance. I have much other information before me, but I am afraid that I should weary honorable senators if I attempted to give it to them. I shall be very pleased, however, to supply any further information that honorable senators may desire.

Question resolved in the affirmative.

ELECTORAL DIVISIONS: VICTORIA.

Senator KEATING (Tasmania—Honorary Minister) [3.22].—I move—

That the Senate approves of the distribution of the State of Victoria into Electoral Divisions as proposed by Mr. C. A. Topp, the Commissioner for the purpose of distributing the said State into Divisions, in his report laid before Parliament on the 7th day of June, 1906.

Without repeating what I have already said as to the history of the proclamation

for the distribution of the State of Victoria into electoral divisions, I shall proceed to ask the Senate to indorse that made by Mr. Topp. The Commissioner was faced with the difficulty of having to reallot representation, the State having to lose one of its twenty-three representatives. I shall show honorable senators what in effect the suggested alterations mean. The total enrolment of the State under existing conditions is 616,426, and this, divided amongst twenty-three divisions gives a quota of 26,801. As I have already pointed out, that quota can be departed from to the extent of one-fifth above or below, so that the maximum deviation is 32,161, and the minimum 21,441, the margin of allowance above or below the quota of 26,801 being 5,360. We find that under existing conditions, there are six electorates in which the deviation is in excess of the maximum number of electors allowed by the law. These are the divisions of Balaclava, where the number in excess of the maximum allowed, is 1,489, Bourke, 1,220; Kooyong, 7,062; Northern Melbourne, 1,175; Southern Melbourne, 305; and Yarra, 8,109. Then under the existing arrangements, there are five electorates, in which the deviation is below the minimum of 21,441. These are the divisions of Corinella, 628, below the minimum; Gippsland, 633; Indi, 1,239; Laanecoorie, 854; and Wimmera, 3,531. That makes in all eleven divisions in which the electoral population is out of harmony with the provisions of the Act, as to the maximum and minimum numbers of electors allowed for any division. It was necessary, of course, in the redistribution to overcome these anomalies. The redistribution I now submit changes the electoral population of Balaclava from 33,650 to 28,060, and that of Ballarat from 30,280 to 28,342. I may say, in passing, that the quota under the redistribution is 28,019, and that the margin of allowance of one-fifth either above or below the quota is thus 5,604. The electoral population in any one of these divisions must not be more than 33,623, or less than 22,415. I have already given the figures relating to Balaclava and Ballarat, and the electoral population of the other divisions under this redistribution will be as follows:—Bourke, 28,753; Kooyong, 30,014; Melbourne, 29,506; Melbourne Ports, 29,237; Southern Melbourne, 31,348;

Yarra, 28,180—instead of as at present 40,270—Bendigo, 28,616; Corangamite, 27,738; Corio, 28,416; Echuca and Moira—a combination of portions of the existing divisions of Echuca and Moira, 27,387; and Flinders, 26,358. The divisions of Corinella and Laanecoorie disappear. The remaining divisions, Gippsland, Grampians, Indi, Mernda, Warrn, Wimmera, and parts of Corinella and Laanecoorie—which will be amalgamated—have an electoral population ranging in round figures from 25,500 to 27,500. Honorable senators will see that in the new redistribution, regard is had to the provisions of the Electoral Act with respect to the number of electors in each of the divisions. I may say, in emphasizing the request I have put to the Senate, that the redistribution has evidently had the greatest care bestowed upon it by Mr. Topp. He made the redistribution last year, and since then, in accordance with the amending Act, he has proposed the redistribution now under consideration which, it seems to me, should be a very satisfactory one. Apparently, it is so regarded, because, although the Act provides that a map with a description of the boundaries of each proposed division shall be exhibited at post-offices and public attention invited thereto, also that suggestions and objections with reference to proposed subdivisions may be made during the thirty days within which the maps are on exhibition at the post-offices in the State, I understand that not one member of the public has availed himself of the opportunity to offer an objection. In these circumstances, I can with confidence submit the motion to the Senate.

Question resolved in the affirmative.

ELECTORAL DIVISIONS: QUEENSLAND.

Senator KEATING (Tasmania—Honorary Minister) [3.30].—I move—

That the Senate approves of the distribution of the State of Queensland into Electoral Divisions, as proposed by Mr. R. H. Lawson, the Commissioner for the purpose of distributing the said State into Divisions, in his report laid before Parliament on the 7th day of June, 1906.

This proposed redistribution has not been necessitated by any alteration of the measure of representation to which Queensland is entitled in the other House. It has simply been brought about by reason of the

fact that in certain divisions there has been a deviation from the maximum and minimum percentage as prescribed in the amending Electoral Act of last session. There is in essence, so to speak, no alteration of the existing divisions, but simply a readjustment of their boundaries to meet the necessities of population as provided by the Act. In this State, where, under existing circumstances, the quota was 26,019, the maximum 31,233 and the minimum 20,815. A deviation, so far as excess above the maximum is concerned, occurred in the case of Brisbane and Oxley. In Brisbane the excess was 2,786, and in Oxley 471. There were three cases where the electoral population of the division was below the minimum of 20,815. Capricornia was below to the extent of 146, Kennedy was below to the extent of 456, and Maranoa had a shortage of 2,629. Under the proposed redistribution the quota, the maximum and the minimum are still the same, and therefore the margin of allowance is still 5,204. There are some cases where the electorates gained. The figures which I intend to read are deviations, not from the maximum or the minimum, but from the quota, and the allowable deviation is 5,204. Brisbane was above the quota by 2,973, Darling Downs by 1,307, Herbert by 100, Moreton by 2,034, and Oxley by 2,848. None of these goes near the allowable deviation of 5,024. On the other hand, Capricornia was below the quota by 2,048, Kennedy by 3,908, Maranoa by 2,981, and Wide Bay by 324. All these are as near to the quota as it is possible to get it, regard being had to all the other considerations which are mentioned in the Act, such as the existing State boundaries, the physical features, the means of communication, and the community or diversity of interest. I understand that on the part of those who are interested and familiar with all the circumstances no serious opposition has been offered to the proposed redistribution.

Question resolved in the affirmative.

ELECTORAL DIVISIONS: WESTERN AUSTRALIA.

Senator KEATING (Tasmania—Honorary Minister) [3.35].—I move—

That the Senate approves of the distribution of the State of Western Australia into Electoral Divisions, as proposed by Mr. M. A. C. Fraser, the Commissioner for the purpose of distributing the said State into Divisions, in his

report laid before Parliament on the 7th day of June, 1906.

The circumstances which brought about a redistribution in the case of Western Australia are unlike those which brought about a redistribution in the case of the States with which we have dealt. In this case there was little deviation from the allowable number, except in the case of one division. The preceding Government had taken steps to have Western Australia as well as the other States redistributed, and although, so far as we could see, there was no electoral necessity, still we, in superseding the Commission, issued a similar Commission to the former Commissioner, Mr. Fraser, who, I understand, is a very capable officer and has applied himself to the work with a great measure of success. He occupies the position of Statistician and Registrar-General of the State. Under existing circumstances, with a total electoral population of 116,199, to elect five representatives the quota is 23,240, the margin of allowance 4,648, the maximum 27,888, and the minimum 18,592. In the case of Coolgardie, Fremantle, Kalgoorlie, and Swan, the number of electors enrolled within each division was within the margin of allowance, but in the case of Perth it was above the maximum, the enrolment for that division as supplied to the Commissioner being 28,224. That was the most populous division in the Western State so far as electors were concerned, while Coolgardie was the least populous, having an electoral population of 19,031. The new redistribution is, of course, based on the same quota of 23,240, the same maximum, minimum, and margin of allowance as the existing distribution. Coolgardie, instead of having 19,031 electors, will have 22,624, which is 616 below the quota; Fremantle will have 22,924 electors, which is 316 below the quota, and Kalgoorlie will have 22,173 electors, which is 1,067 below the quota. On the other hand, Perth will have 24,523 electors, which is 1,283 above the quota, and Swan 23,955 electors, which is 715 above the quota. Honorable senators will see that so far as the different States are concerned something more approaching to equality of electoral population is preserved under the proposed redistribution, while at the same time there is no very considerable deviation even from the quota itself in any particular instance.

Question resolved in the affirmative.

Senate adjourned at 3.41 p.m.

House of Representatives.

Friday, 15 June, 1906.

Mr. SPEAKER took the chair at 10.30 a.m., and read prayers.

COMMERCE REGULATIONS.

Mr. CONROY.—I wish to know from the Minister of Trade and Customs if his attention has been drawn to the following statement made by the Curator of the Botanic Gardens, Adelaide, and published in this morning's *Age*:—

This legislation is useless and unnecessary, and whoever framed the regulation either knows nothing about the matter, or else has some reason of his own for doing so. The effect of it will be to place the importation of seeds in the hands of a seedsmen's trust or combine, while smaller importers and individual amateurs will be absolutely prohibited from getting their seeds from abroad.

I wish to ask the honorable gentleman whether, in view of this statement of the evil effect of the regulations under the Commerce Act, he will see that they are amended.

Sir WILLIAM LYNE.—The paragraph in question has not been brought under my notice, but I have read it, and have consulted the Comptroller-General of Customs in regard to it. He says that there is nothing in the statement.

ORDER OF BUSINESS.

Mr. KELLY.—I wish to know why the Government proposes to give part of its time this morning to the consideration of a motion moved by a private member, which the Minister of Trade and Customs said yesterday he hoped would not pass in its present form. Is it because the Labour Party has brought pressure to bear upon the Government since the Minister's speech yesterday, or because the Government has no business with which to proceed? If the latter, why has Parliament been called together, when the Government has no business ready for its consideration?

Mr. DEAKIN.—I might well protest against frivolous and almost impertinent questions, but as there may be a serious meaning behind some of the honorable member's remarks, my reply is that no member of the Labour Party has spoken to me on the subject. Although the Government, represented by the Minister of Trade and Customs, does not approve of the motion as framed, an amendment has

been submitted which, with an amendment, will be acceptable to us. We have plenty of business ready, but consider the question at issue one of importance, which should be disposed of as early as possible. There is not an intimate, but there is a clear, relation between the proposals that the Commonwealth should watch closely the introduction of microbes by Dr. Danysz, for fear of consequences, and the proposal that we should watch very closely the introduction by trusts of unfair practices, and what may follow them.

DISTILLATION ACT.

Mr. CONROY.—Has the attention of the Prime Minister been drawn to the South Australian case of *Robinson v. Hall*, which leaves the Customs Department without a remedy, except under certain circumstances? The Attorney-General and the honorable and learned member for Angas both pointed out when the Distillation Bill was before the House that we were passing legislation which was *ultra vires*, and now that it has been pronounced to be so, I ask if the Prime Minister has any proposal to make?

Mr. DEAKIN.—The honorable and learned member is aware that the Court to whose decision he refers is not the final tribunal before which the question can come. I have observed the report which he holds in his hand, and, although I have not had time to read the judgment, shall ask the Attorney-General to consider its bearing on our legislation.

PARTIALLY-PAID FORCES.

Mr. WATKINS.—I wish to know from the Minister representing the Minister of Defence if a portion of the partially-paid Forces was asked to form a guard of honour on the occasion of the recent visit of the Governor-General to Newcastle, and if the Department has since refused to pay those who attended for the time which they lost?

Mr. EWING.—I know nothing of the incident, but shall endeavour to give the honorable member some information on Tuesday next.

ADJOURNMENT.

ELECTORAL REPRESENTATION.

Mr. SKENE (Grampians) [10.36]. — I desire to move the adjournment of the House, to discuss a definite matter of urgent public importance, viz., "The anomalous position in which the State of Victoria

is placed through the recent enumeration of the electors, and the consequent redistribution of the electorates thereon."

Five honorable members having risen in their places,

Question proposed.

Mr. SKENE.—Had it not been for the hurried manner in which the new schemes of distribution were dealt with on Wednesday night, it would be unnecessary for me to take the step which I am now taking, because the whole subject would have been thrashed out during the discussion of those schemes; but we were not given time to get together the figures and information necessary to prepare us to take that course. I could not understand then why it is that, while the Victorian quota is something like 3,000 more than the New South Wales quota, Victoria is to lose a representative, and New South Wales is to gain one. In referring to the matter on Wednesday night, I was a little inaccurate in speaking of the New South Wales quota as 24,000. I had been told that the New South Wales quota is 24,000 and a little over, but I have since ascertained that it is actually 24,936, or practically 25,000, while the Victorian quota is 28,019.

Mr. MALONEY.—Is the honorable member in order in discussing a matter which was dealt with by the House only two days ago?

Mr. SPEAKER.—The honorable member would not be in order in reopening a discussion, except on a motion to rescind a vote which had been given; but, while I cannot say how his speech will develop, the notice of motion which he handed to me, and the remarks which he has so far uttered, are in order. Standing order 269 says—

No member shall reflect upon any vote of the House, except for the purpose of moving that such vote be rescinded.

If the honorable member were to reflect upon a vote of the House, he would be out of order; but, so far, he is in order.

Mr. SKENE.—I have no intention of reflecting upon a vote of the House, or of touching upon what was done the other night. My object is to show that the anomalous position to which I wish to refer has been created by the Constitution, and I bring the matter forward as a matter of urgency because an alteration of the Constitution would be necessary to get rid of the anomaly, and such an alteration could not take place until it had been agreed to by an absolute majority of the two Houses,

and had been before the public for at least two months. Although Victoria is losing a representative, and New South Wales is gaining one, the average number of electors represented by a Victorian member will be 28,000, while that represented by a New South Wales member will be only 25,000, the number of electors in New South Wales being 673,282, and in Victoria 616,426, or only 56,856 fewer. On those figures, New South Wales is justly entitled to only two representatives more than should be given to Victoria, but under the arrangement provided for in the Constitution she will have five more representatives. The method of determining the quota is provided in section 24 of the Constitution in the following words:—

I. A quota shall be ascertained by dividing the number of the people of the Commonwealth—

not the number of the electors of the Commonwealth—

as shown by the latest statistics of the Commonwealth, by twice the number of senators:

II. The number of members to be chosen in each State shall be determined by dividing the number of the people of the State, as shown by the latest statistics of the Commonwealth by the quota.

When I first read that provision, it did not occur to me that it might create an anomaly such as I have just referred to; but, perhaps, some of the members of the Convention can tell us why the word "people" was used instead of the word "electors." In the light of what has occurred, the arrangement seems as erratic as that of some of the Southern States of America, when, in granting the franchise to negroes, they gave every five negroes three votes. To determine the quota by the number of the inhabitants of the Commonwealth, instead of by the number of electors, is really to destroy adult suffrage, because such a method takes into account all the minors in the Commonwealth, from the last registered baby up to the young man or young woman of nearly twenty-one years of age. If the representation were based upon the number of electors, every State would have the same quota.

Mr. WILKS.—Victoria has neglected to keep her cradles filled—that is the trouble.

Mr. SKENE.—I do not know about that. A number of young Victorians have left their native State to assist in the development of New South Wales, where they can get cheaper land. It seems to me that an injustice is being done to Victoria at present,

and that similar injustice may be done by some other State in the future. I do not see why the minors in the population should be included in the calculations made with a view of arriving at the quota. The only way of remedying, what I conceive to be a defect in the Constitution, is by inserting the words "adult population" instead of the word "people." I know that it would be hopeless for a private honorable member to bring forward a proposal of this kind, but the Government would have no difficulty in taking the steps necessary to bring about the desired change. It has been argued that the reason why the number of electors in New South Wales is relatively small in comparison with the number in Victoria, is that trouble is experienced in enrolling the electors. As no difficulty has been experienced in ascertaining that the population of New South Wales now numbers 1,500,000 instead of 1,400,000, in 1904, I do not see the force of the contention. If the total population can be estimated, there should be no difficulty in ascertaining the number of persons qualified to vote. This matter should be dealt with at the present time, because, if steps are not taken to alter the Constitution prior to the next general election, it will be impossible to take action in that direction until after the next Parliament has come to an end. The decennial census will be taken in 1910, and we shall then be able to arrive at an accurate estimate of the population of the various States. If, however, the Constitution is not altered beforehand, we shall be in the same position then as we are now. I do not for a moment suggest that the framers of the Constitution thought that the adoption of population as the basis of representation would have resulted in injustice to Victoria, or that to their minds such a discrepancy was likely to arise between the quotas adopted for different States. Still, as matters have worked out, a distinct injustice has been done. I do not suppose that the representatives of New South Wales would contend that it was just that they should represent an average of only 25,000 electors, as against the 28,000 electors represented by each of the Victorian members, or that on an electoral basis, Victoria should have five representatives less instead of two less. I know that an alteration in the Constitution is not to be lightly proposed, and if this were a mere matter of opinion, I should hesitate to press

it upon the attention of the Government. I have dealt, however, with questions of fact, and have pointed out clearly that under the present method of arriving at the quota, certain anomalies arise which should be removed at the earliest opportunity. I believe that within eighteen months of the adoption of the American Constitution, ten alterations were made, and that only six additional amendments—those effected after the civil war—have been made since. Therefore, I hope that the Government will not hesitate to remedy an act of injustice to Victoria, merely because it may be necessary to amend the Constitution.

Mr. GROOM (Darling Downs) [10.51].—Until a few minutes before the House met, I was not aware that the honorable member intended to bring this matter forward. When the honorable member springs upon the Government a serious constitutional question, involving as it does the very foundation of popular representation, he can scarcely expect them to express an opinion offhand.

Mr. SKENE.—I do not ask for an opinion at this stage, but merely desire that the matter shall receive consideration.

Mr. GROOM.—Every proposed amendment of the Constitution demands serious consideration. I would remind the honorable member that in the several Federations which have preceded ours in the annals of history, population, and not electoral population, has invariably been adopted as the foundation of representation. In the United States Constitution it is provided that representation shall be apportioned among the several States according to their respective populations, and in Canada it has been laid down in certain rules framed by the Parliament that there shall be assigned to each of the provinces representation in proportion to the population, as ascertained by the census. In Switzerland also, the National Council is composed of representatives of the people chosen in the ratio of one member to each 20,000 persons of the total population. So that in all these Federations population is the basis of representation, and on the spur of the moment, I do not feel inclined to recommend a deviation from that fundamental principle. I find that, according to the last enumeration, the population of New South Wales was 1,483,393, whereas the population of Victoria was 1,214,008. It was upon the basis of these figures that

the representation was allotted to the respective States. The electoral population of New South Wales, upon the same date that the general enumeration was made, was 673,282, whilst the electoral population of Victoria was 616,426. It would appear, on the face of it, that the electoral population of Victoria was proportionately greater than that of New South Wales, but there are various reasons to account for that. The electoral population is very different from the general population.

Mr. SKENE.—Why mix up the two?

Mr. GROOM.—I am saying that we should not mix up the two. If the electoral population were substituted for the general population, we should not have the same fixed and certain sources of information that we have now for arriving at the basis of representation.

Mr. DUGALD THOMSON.—In the larger States 8 per cent. of persons above the voting age do not appear on the roll, whereas the rolls in Victoria are deficient in this respect to the extent of only 3 per cent.

Mr. GROOM.—Yes. I have not with me the returns of the adult population of Victoria and New South Wales, but, speaking from recollection, the percentage of adults in New South Wales is as high, or very nearly so, as in Victoria. I cannot see my way at present to suggest that the Constitution should be altered. The honorable member has, no doubt, achieved his object in calling attention to the matter, which naturally invites criticism.

Mr. SKENE.—I would go a little further if I could.

Mr. GROOM.—The honorable member has sprung an important matter upon the Government, and I should not feel justified at this stage in recommending any departure from the fundamental basis of the Constitution.

Mr. WILSON (Corangamite) [10.57].—I think that the honorable member for Grampians has done good service in directing attention to this matter. The Minister is altogether too conservative. Like most lawyers, he feels that he must have a precedent. He has quoted from the various Federal Constitutions, and has shown that in adopting our present basis of representation we have followed the precedent laid down by other Federations. I do not think that any special weight is to be attached to that fact. We should not be content to adhere religiously to the lines laid down in the older Constitutions. If we can find some-

thing better we should adopt it. When we were considering the redistribution of seats recently, I was very much struck with the fact that, whereas some of the divisions in New South Wales contained only 21,000 electors, the minimum number in a Victorian division was 25,000. That appears to me to be an anomaly, and I see no reason why Victoria should be placed at such a disadvantage. It is really the voting population that counts in all matters relating to parliamentary representation and the making of the laws. I feel that the suggestion of the honorable member for Grampians is a good one, and that the Government should consider the matter more carefully, with a view to ascertaining if it is not possible to correct the anomaly to which reference has been made. Victoria is suffering an injustice at the present time.

Mr. BAMFORD.—The Victorian representatives do not think so. At any rate, I do not see many of them present.

Mr. WILSON.—That consideration does not affect the merits of the question at all. The Victorian representatives are within the precincts of the building, and their presence can be obtained whenever it is necessary. They are just as constant in their attendance here as are the representatives of any other State. They endeavour to discharge their duties faithfully, and I cannot listen in silence to any reflection upon them. The honorable member for Grampians has rendered a service to the Commonwealth in drawing attention to this matter, because the position of Victoria to-day may be that of any other State in the future. I notice that honorable members in their public addresses have called attention to the fact that certain amendments are required in the Constitution. It stands to reason that anomalies must exist in the charter of Government. Anomalies have been found in the Tariff, and it is only reasonable to assume that they also exist in the Constitution. A Commission has been appointed to correct anomalies in the Tariff, and I am of opinion that a standing Committee ought to be chosen to direct attention to any which may be found in the Constitution. I trust that the Prime Minister will give this matter his serious consideration, with a view to seeing if some means cannot be devised to remedy the injustice under which the State of Victoria at present labours.

Mr. FOWLER (Perth) [11.2].—There is no doubt that the matter which has been

brought forward by the honorable member for Grampians is one which demands careful consideration at the hands of this House. It has frequently appeared to me that the present method of determining the electoral representation of particular States in this House is a very peculiar one. The argument that has been advanced by the honorable member for Grampians applies with a great deal of force to Western Australia.

Mr. BAMFORD.—And to Queensland too.

Mr. FOWLER.—It applies in a smaller degree to Queensland.

Mr. BAMFORD.—To the disadvantage of Victoria.

Mr. FOWLER.—It applies to States like Queensland and Western Australia, where the adult population is much larger, proportionately, than it is in the older settled States.

Mr. TUDOR.—It does not apply to Western Australia at the present time.

Mr. FOWLER.—I have not the figures before me just now.

Mr. McDONALD.—Western Australia has the minimum number.

Mr. FOWLER.—That may be so. It has been laid down that the representation of a State shall be based upon its total population, but when an election comes along it is only the adults who determine the particular shade of the politics of that State. I agree with the honorable member for Grampians that the fairest method of arriving at the representation to which any State is entitled would be to base that representation upon its adult population.

Mr. HARPER.—Upon the number of its effective voters.

Mr. FOWLER.—Exactly. In the case of a young State such as Western Australia, and to a less degree Queensland, we should arrive at a fairer approximation to the political views of the people if we adopted that system. Where the adult population, in the case of a young State, is so much higher than it is in the older settled States, it must manifestly react against the interests of the former.

Mr. DUGALD THOMSON.—It reacts more against Victoria in the present instance.

Mr. FOWLER.—Yes; but I am discussing this as a matter of principle. I am showing how the present method of determining the representation of a State may affect Western Australia, or any other State in which the adult population received any sudden increase, such as conceivably might

take place owing to the development of gold mines or tin mines. Honorable members would do well to accept the suggestion of the honorable member for Grampians, and to consider carefully whether, in spite of the precedent afforded us by other countries, we cannot improve upon the present system in this particular matter, and thus set an example which may subsequently be followed by them.

Mr. DUGALD THOMSON (North Sydney) [11.8].—I would like to point out that the whole of the difference between the number of electors represented by a Victorian representative in this House and a New South Wales representative, is not accounted for by the provisions of the Constitution. I had occasion to look into this matter some time ago, and—speaking from memory—I found that the number of adults registered as electors proportionately decreased in the larger States, where the population was of a more scattered and nomadic character. A considerable portion of the difference to which I have referred is due to the fact that the registration of electors is less effective in the larger States, where the population is scattered, than it is in the smaller ones, where population is more concentrated.

Mr. SKENE.—How does the honorable member arrive at that conclusion?

Mr. DUGALD THOMSON.—It is not necessary for me to enter into a discussion of the system at present in vogue. The statistics are gathered by the Statisticians of the various States from year to year. They arrive at an annual estimate of the population based upon the census. Speaking from memory, I found that, in the case of Victoria and Tasmania, all but 3 per cent. of the adult population was accounted for upon the electoral rolls. But in New South Wales 8 per cent. of the adult electors—and a larger proportion in Queensland and Western Australia—was unaccounted for upon the rolls of those States. It appears, therefore, that a very considerable proportion of the difference to which attention has been drawn by the honorable member for Grampians is not due to the provisions of the Constitution, but rather to the greater difficulty which is experienced in enrolling the names of electors in the larger States, where population is more scattered.

Mr. SALMON (Laanecoorie) [11.12].—I desire to say one or two words in

reference to this matter. Honorable members will probably recollect that I brought this question before the House when the Representation Bill was under consideration. I felt then, as I do now, that it is sincerely to be regretted that we should employ a different system of calculation in regard to two matters which should really be in accord with each other. Upon the occasion to which I refer, I drew attention to the disparity that will exist if we proceed upon the lines which are contemplated. Under the present system each representative in Victoria represents 3,000 electors more than each representative of New South Wales. That is a disparity which in my opinion, ought not to exist. Certainly, it should not be created if it is not already the law. I regret that it has been thought necessary to do that which has already been done, but under existing conditions I fail to see how we could have prevented it. The Act has been passed, and we have to abide by the decision of the last Parliament. I feel so strongly upon the matter that I would urge the Government to take into consideration the question of remedying an admitted evil by securing an amendment of the Constitution. This could be done very simply, because the matter is not a contentious one, but one which would appeal to the fair-mindedness of the whole of the electors of Australia. The position of Victoria to-day may be that of any other State to-morrow, and therefore I hope the Government will take some steps to bring about an amendment of the Constitution in this connexion.

Mr. BROWN (Canobolas) [11.14].—The question which has been raised by the honorable member for Grampians involves an amendment of the Constitution. It has been brought forward rather hurriedly, and honorable members generally have not been afforded an opportunity to look up the reasons which actuated the framers of the Constitution in adopting this particular provision. I presume, however, that the whole question was regarded by members of the Federal Convention from various stand-points, and that there were good substantial reasons for the adoption of the present basis of representation. At the same time, I think that the Government might very well look carefully into the matter. The Minister might look into the matter, but I think that the solution of the difficulty rests with the States themselves. Victoria is suffering in the way complained

of because the Victorian people have not devoted themselves to finding suitable outlets for the employment of the young people growing up in the State. The question of the birth-rate has some bearing also on the matter, but for several years past Victoria has been losing a number of her young men and women, who have drifted away to the other States and to other parts of the world, because sufficiently attractive opportunities for their employment in the State have not been provided. The same difficulty is being experienced now to some extent in New South Wales, where, because of the restriction of reasonable opportunities for settlement, the young men and women of the State are going elsewhere. The experience of Victoria at the present time will be that of New South Wales in time to come. The solution of the difficulty is not, in my opinion, to be found in an alteration of the Constitution. If the States wish to increase their population in order to secure increased representation in the Federal Parliament they must adopt legislation which will encourage their people to remain with them.

Question resolved in the negative.

CONTRACT POST OFFICES.

Mr. KELLY (for Mr. ROBINSON) asked the Acting Postmaster-General, *upon notice*—

1. How many contract post-offices are there in the Commonwealth?
2. How many persons are employed in such contract offices?

Mr. EWING.—The answers to the honorable and learned member's questions are as follow:—

The Deputy Postmasters-General of the several States have furnished the following information:—

State	No. of Contract Post-offices	No. of Persons employed thereat
New South Wales ...	21	40
Victoria ...	88	204
Queensland ...	6	10
South Australia ...	2	2
Western Australia ...	4	4
Tasmania ...	3	5
Total ...	124	265

INTRODUCTION OF MICROBES: RABBIT PEST.

Debate resumed from 14th June (*vide* page 243), on motion by Mr. HUGHES—

That this House is of the opinion that, as the introduction of the microbes proposed by Dr.

Danysz for the destruction of rabbits in the State of New South Wales may prove inimical to human and other animal life of Australia, it should not be permitted except for laboratory experiments.

Upon which Mr. FRAZER had moved by way of amendment—

That the following words be added to the motion :—"until such time as Parliament or the Government, if Parliament is not in session, is satisfied by the investigations of a duly appointed scientific committee approved by the Parliament, that outside experiments will be harmless."

Mr. WEBSTER (Gwydir) [11.20]. — I did not intend to speak on this question, but, representing a district which is probably affected by the rabbit pest to a greater extent than is any other district in New South Wales, I think, after what I have heard from other honorable members, that it might be judicious on my part to make a few observations. There can be no doubt of the serious nature of the proposal now being made for the introduction of a disease for the purpose of destroying rabbits, nor can there be any doubt as to the extent of the ravages caused by the rabbit pest in the different States.

Mr. BAMFORD.—I think that when an important question, such as this, is being discussed, there should be a quorum of honorable members present.—[*Quorum formed.*]

Mr. WEBSTER.—It is a remarkable feature of Australian history that nearly every pest that at present troubles the man on the land was introduced at one time or another by some faddist who had no conception of the disaster likely to follow its introduction. The prickly pear, which has become almost as great an evil as the rabbit pest, was introduced in the first instance by a certain person with the object of adorning the garden in front of his house, and so jealous was the care with which he guarded it that when one of his children was discovered removing a leaf from the plant the child was severely punished. When one realizes that to-day many thousands of acres in New South Wales alone have been rendered absolutely useless by the spread of this terrible pest it is clear that the man who introduced it could have had no idea of what the consequences of its introduction would be.

Mr. BAMFORD.—There are other pests which could be mentioned.

Mr. WEBSTER.—Yes; we have the rabbit, the sparrow, the starling, the fox, the prickly pear, and a number of other noxious weeds, introduced by men who might reasonably be described as the un-

conscious enemies of the future prosperity of Australia. Whilst we may be thoroughly alive to the extent of the injury done to Australia, and to New South Wales in particular, by the spread of the rabbit pest, we must study minutely what is likely to be the effect of the disease now sought to be introduced for its extermination. While we consider the injury done to the pastoral industry by the existence of rabbits, we must not fail to consider the injury which may be done by the introduction of a disease for their destruction, which may be communicable to other forms of animal life. Although it has not been unusual for me to meet many men in my electorate seeking work, it was a pleasant experience on my last visit, extending over many weeks, to find not more than ten men who were really in search of employment. The reason for that was that men who could not find other employment in the electorate found well-paid occupation in the destruction of rabbits. There are not less than 1,000 men in my electorate earning a very good living in this way. We have to consider whether the remedy proposed to be introduced to cope with the rabbit pest is going to be effective. So far we have no guarantee that it will achieve the object for which it is being introduced, and there are very grave doubts whether the good which is likely to follow from its introduction will warrant us in incurring the risks attendant upon it. We must be very cautious indeed in permitting the introduction of a disease of this kind, which may be communicable to human beings. I ask honorable members to consider the results which have followed the practice of destroying rabbits by poison. We are to-day poisoning the feathered tribes of the bush by thousands.

Mr. WILSON.—Surely the honorable member does not propose to do away with the poisoning of rabbits.

Mr. WEBSTER.—We must consider the comparative benefits and disadvantages of the adoption of any particular course. I am not sure that by poisoning we are doing a great deal of good in the way of rabbit destruction.

Mr. WILSON.—I can assure the honorable member, from practical experience, that we are.

Mr. WEBSTER.—I can understand that poisoning may be effective in the case of small holdings, securely fenced with wire netting, but it is not nearly so effective on large holdings.

Mr. WILSON.—Will the honorable member read Mr. Lascelles' evidence on the question?

Mr. WEBSTER.—I have evidence of my own. I am talking of what I know, and it is not clear that poisoning is decreasing the numbers of rabbits in an appreciable degree. There can be no doubt, however, that it is destroying the bird life of the bush, and by the destruction of the feathered tribes we are removing the natural enemies of the larvæ of various pests which are an evil to the man on the land. That is an aspect of this question which requires serious consideration. I think that nothing can be more depressing than to travel for many miles through the bush without hearing the welcome call of the various Australian birds. To my mind, nothing can be more melancholy than a birdless bush. The honorable member who interjected a moment or two ago will admit that the decimation of the feathered tribes will remove the natural enemies of pests which are less controllable than the rabbit pest. In my recent travels I found that, in those districts where the birds have been destroyed, if the herbage begins to spring after a shower of rain, a plague of caterpillars and grasshoppers descends upon it, and eats bare the whole face of the country. Not only is the bird life of the bush being destroyed by the phosphorous poisoning which is now laid for rabbits, but animals sometimes eat the baits, and are killed by them. In one of my trips I met a man who was making a good living by rearing pigs, who told me that in the course of two weeks he lost 100 valuable pigs through phosphorous poisoning.

Mr. WILSON. — They must have been straying on another man's land.

Mr. WEBSTER.—In New South Wales a land-holder often leases the stock route or reserve adjoining his property, and turns his animals on to it. but if the fences of a neighbour are not in good order, these animals occasionally stray on to the neighbour's ground. We should move cautiously in regard to this proposal to introduce a plague which may be much more injurious than the pest which it is desired to destroy. As was remarked yesterday, any person who, when it was unwisely proposed to introduce the rabbit or any of the other pests which now threaten the welfare of our industries, had urged the strictest supervision, would now be hailed as a public benefactor, and

in the light of our experience no one can be blamed for trying to protect the country from further possible injury of a like kind. Diseases such as Dr. Danysz is experimenting with may affect, not only the lower animal life, but even human life, and if human life were affected I should not like to be one who in this Parliament had advocated the introduction of the disease. I admit that ruin is now threatening the staple industry of New South Wales, and that the rabbit pest is changing the whole aspect of land settlement there. Formerly the man who rented land from the Crown fed his sheep on the herbage which it produced, and got a return for his enterprise by selling their wool and mutton. But to-day the herbage which should feed sheep goes to feed rabbits, and pastoralists who, at one time, would have brought any rabbit before the Court who took one of their sheep, are now, in many instances, providing these men with rations, and even with wire netting for their yards, and allowing the station hands to assist in the drives. Indeed, the present position is altogether regrettable; but it would be far worse if, in trying to give relief to those who are suffering, we introduced a disease which would bring only trouble and misery in its train. My travels convince me that the only remedy for the rabbit pest is closer settlement. Nothing else will remove the rabbits, and restore the produce of the land to the man who rents it. The other remedy is wire netting, which is very expensive and troublesome, and, in many cases, can be undertaken only where there is closer settlement, though I have known men who have wire netted who have been repaid one thousand-fold for their trouble.

Mr. KELLY.—Is it possible to wire-net the lands in the western division of New South Wales? I understand that the whole country shifts.

Mr. WEBSTER.—The companies which manipulate the properties in the western division of New South Wales are in a position to wire-net against the rabbits. The method of poisoning, so much in vogue, is an extremely expensive one. I have been upon runs on which fifteen poison carts, employing twenty men, are in use, each poison cart costing £2 a week, having regard to the cost of wages, materials, and the value of the horses and vehicles.

Mr. WILSON.—Are not the rabbits in the western division of New South Wales practically valueless?

Mr. WEBSTER.—The price of rabbit skins to-day is so high that it has become profitable to kill the rabbits there for their skins, which fetch nearly 2d. each in the back blocks, or 1s. 2d. per lb. in Sydney.

Mr. WILSON.—That is the winter skin.

Mr. WEBSTER.—The winter skin of a full-grown rabbit. We are now in the winter months. I do not think that the rabbit can be entirely eradicated, nor would his eradication be necessary if we could control the pest. Besides, there are to-day thousands of persons who would hardly be able to obtain flesh to eat if it were not for the price at which they can procure rabbits. At one time a butcher would consider it a degradation to hang a rabbit in his shop, but to-day there are butchers who practically deal entirely in rabbits, and rabbit-flesh is becoming one of the foods of the poorer classes. If we introduce the disease which Dr. Danysz has brought with him, we may not only injure our own people directly, but will assuredly destroy the rabbit export industry, which has now assumed such large dimensions. We should not run the risk of repeating the experience of the Chicago meat packers, by permitting the impression to get abroad that our preserved rabbits are unsuitable for human consumption. If disease were introduced among the rabbits, we should certainly destroy an important industry, whilst it is very questionable whether we should get rid of the pest. I am glad that honorable members seem to take the view that the greatest care should be observed, and that it is proposed that before any disease is disseminated, the whole matter shall be dealt with by this Parliament, which is directly responsible to the people. During my travels through New South Wales I obtained conclusive evidence that closer settlement is the true remedy for the evil with which it is sought to cope by the introduction of disease. Three or four years ago I visited the Wellington district, upon the occasion of the opening of a new flour mill. I then had an opportunity of meeting a large number of farmers, who were perplexed by the question, "What are we going to do with the rabbits?" The rodents then threatened to ruin them. A few weeks ago two young men went up to Wellington in the hope that they would be able to enjoy some sport in the shape of rabbit shooting. After spending nine days vainly looking for rabbits, they had to leave for another

district where rabbits were more plentiful. The farmers of Wellington have, by means of wire-netting their holdings, brought the rabbits under control, and now scarcely a rodent can be found in country which, two or three years ago, was overrun by the pest. I can mention another case which has occurred in Victoria. The Woodlands Estate, near Ararat, which is a very large holding, is infested with rabbits. A number of small farmers, whose holdings adjoin this large property, were obliged, owing to bad times, to mortgage their farms, and were in distress until they sent their sons on to the Woodlands Estate to trap rabbits. With the money which these young men have earned the farmers have been able to clear off the mortgages and place themselves once more upon a sound financial footing. Thus, the rabbits, have, in some cases, proved of the greatest advantage to the poorer class of settlers. In my opinion, there is no effective remedy for the rabbit pest other than closer settlement. This will not bring ruin in its train, but will prove of immense benefit to a large section of our population.

Mr. HENRY WILLIS.—What does the honorable member mean by closer settlement in the district which he represents?

Mr. WEBSTER.—If the honorable member does not understand, I do not feel called upon to explain to him. This is not a matter for humorous treatment, but one which should receive our most serious consideration. As I have said, closer settlement is the true remedy, and the only way in which we shall be able to bring about closer settlement is by imposing a progressive land tax. There is no use in discussing abstract propositions. It would be idle for me to say that closer settlement was the true remedy for the rabbit difficulty unless I indicated the way in which that remedy was to be applied. We shall have to place small settlers upon those large areas in which the pest has got beyond control, and we cannot expect to bring this result about unless we adopt a progressive land tax. Such a measure would result in more benefit to the country than would be conferred upon it if we were to go on talking about Dr. Danysz and his proposed cure until the end of the year. We should go to work in a practical way, and strike at the root of the evil. We should adopt a method of exterminating the rabbits that would be not only effectual, but free from objectionable features, and it seems to me that the subdivision of the

large estates into small holdings which can be kept under effective control offers the true solution of the difficulty.

Mr. KELLY (Wentworth) [11.55].—The honorable member for Gwydir has made a characteristic proposition. He says that the only way in which we can help the settlers, who are now in danger of having their land taken away from them by the rabbits, is by ourselves taking possession of what little share they still have left to them. He says, in effect, "The rabbit is nationalizing the land, and why should not the State do so by a graduated land tax?" The honorable member's proposal is so startling that it is hardly worth serious consideration. He dealt with the subject exhaustively, but in a manner scarcely warranted by the terms of the motion, which is intended to prevent the dissemination of microbes among the rabbits under any conditions whatever; for the honorable member for Gwydir endeavoured to show that disease should not be spread amongst the rabbits until we were satisfied that such action would not be prejudicial to the people of Australia. There were some curious contradictions in his arguments. In the first place, he preferred sheep to rabbits. I understood the honorable member to say that sheep-farming was a staple industry of New South Wales; in fact, the greatest of all the staple industries of that State. He did not want to do any injury to that industry, but at the same time urged that the rabbits should not be destroyed, because the trapping of them afforded employment to a large number of men. I think that that is the most absurd reason that could be advanced in a discussion of this kind. In order to be logical, the honorable member should advocate the dissemination of Bathurst burr and Scotch thistles, because the more those pests are spread the more employment will be afforded in their eradication. I think that that argument effectively disposes of the question of employment. The honorable and learned member for West Sydney has told us that we have no justification for believing that these microbes, if introduced, will absolutely exterminate the rabbits. I am free to confess that I share his opinion. At the same time, I recognise that the more means we employ to keep the rabbits under control, the better it will be for Australia. So far as the central and coastal divisions of New South Wales are concerned, the cure for the

rabbit pest is to be found in closer settlement, and in the wire-netting of holdings. The honorable member for Gwydir assured us that that cure could be applied all over Australia. I beg to differ from him. So far as the western district of New South Wales is concerned, my information is that it is not efficacious there.

Mr. WEBSTER.—Has the honorable member ever been there?

Mr. KELLY.—My information is partly derived from a gentleman for whom the honorable member for Gwydir entertains a very great regard. Within the past couple of years a new condition has arisen in the western district of New South Wales. There the binding of the soil has been absolutely destroyed, and the rabbits are preventing the grass from growing again. The soil in the western division of New South Wales practically moves about in dry seasons, so that in a very short period the wire-netting of a fence is completely buried.

Mr. LEE.—The honorable member for Darling made the same statement last night.

Mr. KELLY.—So far as these unsettled portions of Australia are concerned, wire-netting is absolutely ineffective as a means of preventing the spread of rabbits. Consequently, we must introduce as many methods of dealing with the pest as we possibly can. The fact seems to have been entirely overlooked by honorable members opposite that the New South Wales authorities are taking extreme care to thoroughly test the method proposed to be adopted by Dr. Danysz before allowing the microbes to be generally used. The Minister of Lands in New South Wales, Mr. Ashton, who never speaks without weighing his words, is reported in the *Daily Telegraph* of 4th June last, to have said—

One of the conditions of the experiment was that it should be under the strictest supervision of leading Australian scientists, in the interests of public health, and both the Federal Government and the various States had been asked to nominate experts to co-operate with the Government bacteriologist, Dr. Tidswell, who was our first authority on such matters, in order to insure, beyond the possibility of doubt, that there would be no risk whatever to the public health. Dr. Tidswell left Sydney to-day to confer with Dr. Danysz and the Federal Government as to the character of experiments. Dr. Danysz, in a letter to the Government eighteen months ago, said it was a question whether any microbe would be satisfactory for the purpose of freeing the country from the rabbit pest.

The question as to whether it would be prejudicial to public health, or innocuous to other forms of animal life in Australia, is dependent to some extent upon local climatic conditions,

but that the Government, or any Minister in his senses ever dreamt of allowing experiments in such a serious matter to be conducted outside the four walls of the laboratory was absolutely preposterous. Dr. Tidswell had said that under no circumstances could the health authorities allow the disease to be transferred outside the laboratory, until it had been irrefutably demonstrated in the laboratory that the microbe was innocuous to human and other forms of life. The Government was not composed of absolute lunatics, to take any risk in such a serious matter, and I think a lot of the emotional agitation that has been exhibited in certain quarters is due entirely to a misapprehension as to the intentions of the Government. In 1888 similar experiments were made, and as a result £25,000 was offered by the Government for the discovery of a microbe that would destroy rabbits. There was no particular uproar then as now, although in the first case the trial was made on Rodd Island, within Sydney Harbor, amid thick population, instead of on solitary Broughton Island. If no alarm was felt then about the prejudicial effect to the public health by microbe culture, why this uproar now? Wild statements had been made at a public meeting at Gundagai, that the Government had made a grave error in not consulting the Board of Health. Why, it was a condition precedent to the engagement of Dr. Danysz that any experiments with a rabbit microbe must be under the supervision of the best bacteriologist in the State, and there never was the remotest intention even then of allowing any microbe loose unless clearly proved to be innocuous to other forms of animal life. There is also the Noxious Microbes Act, which provides that where the Minister is satisfied by inquiry or experiment that a microbe would be destructive to any particular pest, he may issue a licence, after notification in the *Gazette*, which must lie for 30 days before both Houses of Parliament for ratification. In the event of objection being raised in Parliament, permission to introduce the disease could not be given. This apprehension about the Government's attitude in the Danysz matter was entirely premature, as shown by the fact that Parliament must give consent before a microbe can be introduced. Parliament can be trusted to do the right thing, and see the public health completely safeguarded.

That is the opinion of a responsible Minister in New South Wales, and I think that the Parliament of that State is quite as capable of looking after the health of its people as is the Commonwealth Parliament.

Mr. BROWN.—But this Parliament has to consider the health of the Commonwealth as a whole, and not merely that of a State.

Mr. KELLY.—That statement is absolutely correct, and the New South Wales Government is acting from that point of view. But why is it necessary for us to discuss a motion of this character?

Mr. WILSON.—If we once relinquish the power that is vested in us we cannot regain it.

Mr. KELLY.—Some honorable members appear to regard the State of New South Wales in the same light as they would regard a criminal. That is not the function of the Commonwealth Parliament. It is because of the interference of the Commonwealth in all sorts of matters which do not concern it, that the Federal authority is so unpopular throughout Australia to-day. Instead of co-operating with the State of New South Wales, this House is taking steps which savour of a gratuitous insult to its responsible officers. Mr. Ashton further said—

They could rely upon the Government taking no risk likely to endanger public health, also that in reading the State Act he thought that Dr. Danysz's experiment could not be carried out except in an enclosed area.

I should like to remind the honorable member for Canobolas that the Minister of Trade and Customs has already stated that his action was intended to insure that the proposed experiments in the first place shall be confined within the walls of a laboratory. But we are told, upon the authority of the Minister of Lands in New South Wales, that the experiments will be conducted within a laboratory, and the Minister himself has been asked to co-operate with the State in supervising those experiments. Where, then, is the necessity for all this parade and fuss? The fact is that the employment of a large number of persons who are engaged in rabbit trapping is threatened, should this microbe prove destructive to the pest. My honorable friends in the Labour corner, who are always alive to political opportunities, wish to pose as protectors of this class.

Mr. WEBSTER.—As protectors of the public health.

Mr. KELLY.—I have just read voluminous quotations from Mr. Ashton to show—

Mr. WEBSTER.—We have our responsibility as well as has Mr. Ashton.

Mr. KELLY.—What concerns the honorable member for Gwydir more than does the public health of the State is the votes of the rabbit catchers.

Mr. WEBSTER.—I do not think that they have any votes.

Mr. KELLY.—They will have votes before the next election.

Mr. DAVID THOMSON.—There are no rabbits in my electorate.

Mr. KELLY.—There are none in my own, but there are some Socialists. I

think that we might well allow this experiment in New South Wales to be proceeded with. If the tubes which have been brought to Australia by Dr. Danysz are kept properly sealed up in a laboratory—

Mr. WEBSTER.—How is the effectiveness of the microbe brought to Australia by Dr. Danysz to be demonstrated in practice?

Mr. KELLY.—The honorable member probably knows that all sorts of animal life has been placed upon Broughton Island, where the proposed experiments are to be conducted.

Mr. WEBSTER.—The climatic conditions which prevail at Broughton Island are not anything like those which obtain in the interior of New South Wales, where the rabbits are to be found.

Mr. KELLY.—I think that we may safely trust the intelligence of the scientific gentlemen who have been deputed to deal with this matter. We all bow to the knowledge of the bush possessed by the honorable member, but he ought to bow to the superior knowledge of scientific experts.

Mr. WATSON.—But scientists, like doctors, often differ.

Mr. KELLY.—All that the Minister of Lands in New South Wales asks the Commonwealth to do is to co-operate with the State Government in insuring that the proposed experiments are properly safeguarded. I desire to see every possible precaution taken for the conduct of these experiments.

Mr. WATSON.—That is all that is necessary.

Mr. KELLY.—Exactly. If this motion be altered to meet that position—

Mr. WATSON.—The mover has agreed to an amendment in that direction.

Mr. KELLY.—Then I think that the proposal should pass unopposed.

Mr. WILSON (Corangamite) [12.15].—A great many matters have been discussed, but many others still remain to be discussed in dealing with this question. There is no doubt that the subject is one of grave importance to the Commonwealth, and its consideration should be approached with very great seriousness. One of the principal dangers confronting Australia at the present time is the spread of the rabbit pest.

Mr. WATSON.—We are able to say that it can be kept under in the settled districts in New South Wales, but further west there is no doubt that the pest is spreading.

Mr. WILSON.—The same thing holds good in Victoria. In the more settled districts of this State, the rabbit gives very little trouble, but there are portions of Victoria, as there are portions of New South Wales, Queensland, South Australia, and Tasmania, where it is almost impossible to cope with the spread of the rabbit by the adoption of ordinary methods. The honorable member for Gwydir, and other honorable members, have advocated closer settlement and wire-netted areas as the best means of dealing with the pest. Any one who has had practical experience of the matter will agree with that, but in dealing with a pest that is so widespread, it is necessary to employ every possible means for its eradication. The method of rabbit destruction proposed by Dr. Danysz is, so far as the introduction of a particular germ is concerned, not new, for I have here the report of a Royal Commission of inquiry into schemes for the extermination of rabbits in Australia, in which reference is made to very many methods proposed for the purpose. The Commission sat in 1888, 1889, and 1890, and presented a very valuable report. They tested various diseases suggested for the destruction of rabbits, and other means proposed for their eradication, and the recommendations they made are very valuable. They came to the conclusion that wire netting and closer settlement were the two most valuable means of dealing with the pest. I should like to read, for the information of honorable members, some of their conclusions in connexion with schemes for the destruction of rabbits otherwise than by disease. I notice that the honorable member for Coolgardie was secretary to the Commission, and he should be about the best-informed member of the House on this question, apart from schemes for the destruction of rabbits by disease which have been projected in later years. The Commission sat sixteen years ago, and it will be recognised that bacteriological science has made very great strides in that time. It is almost impossible for any man who is not an expert, and in constant touch with bacteriological methods, to keep abreast of the advance that has been made. We must, in this matter, place ourselves in the hands of an expert, and it should not be forgotten that Dr. Danysz is an expert attached to the Pasteur Institute, which, more than any other similar body in the world, has given consideration to the commercial uses

of bacteriology. The Royal Commission to which I have referred came to the following conclusions:—

That responsibility for the destruction of rabbits, whether on freehold or leasehold land, must rest on the landholder. That with respect to unoccupied Crown lands the State must accept similar responsibility.

This introduces a matter of very great importance, and that is the neglect on the part of the States to deal with the spread of rabbits on Crown lands. Most of the land retained by the Crown in the various States is inferior in quality. It is let occasionally at a very low rental, and the lessees gain so very little in return from the grazing of it that they cannot afford to go to any great expense in the extermination of rabbits. In many cases when landholders have cleared their lands from rabbits they have been almost immediately reinfested from the neighbouring Crown lands. There is, therefore, a duty resting upon the States Governments to deal with the rabbit pest on the areas in their possession, and they should, at least, see that those areas are netted off from the lands occupied by selectors and the smaller landholders whose properties adjoin them.

Mr. WEBSTER.—What would that cost?

Mr. WILSON.—The honorable member has put a very pertinent question, because there can be no doubt that the cost of dealing with rabbits on Crown lands in the various States would be very great. Still, every one must admit that grave responsibility rests upon the States Governments in this matter. The Royal Commission came to the following conclusions:—

That the rabbit pest has made the continuance of the system of annual leases of Crown lands impossible.

That no finality in rabbit destruction will be obtained without making the erection of rabbit-proof fences compulsory.

The representatives of South Australia on the Commission pointed out that the compulsory erection of rabbit-proof netting would be sufficient almost to secure the extermination of the leaseholders of Crown land in South Australia. I think that all honorable members are agreed that wire netting in small areas is a most effective means of dealing with the pest. The Commission further says—

That there are very large areas of land so poor that the erection of rabbit-proof fences around individual holdings might cause financial failure. That the Department administering the Rabbit Destruction Acts should be empowered to

permit the fencing of such poor holdings in groups. That in dealing with land of very poor carrying capacity, the State should show special consideration to the lessees in respect of tenure.

Mr. WEBSTER.—That was done in New South Wales.

Mr. WILSON.—I am aware that the New South Wales Government gave effect to that recommendation. The Commission report further—

That in all infested country, but especially in such poor districts, simultaneous operations for the destruction of rabbits should be made compulsory.

That netting fences 3 feet high, with a mesh of 1½ inches forms a practically efficient barrier against the incursion of rabbits.

I must say that practical experience has shown me that netting of this description is not altogether effective. I have spent a very great deal of money in the destruction of rabbits on a place I have, and when I started the erection of wire netting I used netting of 1½ inch mesh, but I have found that it is not sufficient for the purpose. The mesh should not be larger than 1½ inch.

Mr. WEBSTER.—Or 1½ inch.

Mr. WILSON.—That would be still more effective, because it would be impossible for a rabbit to get through a mesh of that size, but I have found that a mesh of 1½ inches is very effective if the wire netting is good. I have noticed that recently there has been some talk of the Governments of Victoria and of New South Wales adopting some means whereby landowners would be able to obtain wire netting under more advantageous conditions than it can be obtained at the present time. There is a wire-netting factory established in New South Wales, and such a factory was established for a time in Victoria. I should like to see the industry encouraged so that we might manufacture our own wire netting in these States.

Mr. WEBSTER.—And be saved from the operations of the ring.

Mr. WILSON.—There is no doubt that some manipulation of the wire-netting rings in other parts of the world have made it impossible for us to obtain wire netting at a reasonable price. That, if possible, should be prevented, because the use of wire netting is one of the most efficient methods of dealing with the rabbit pest. I should like to direct the special attention of honorable members to this statement

made by the Royal Commission to which I have referred—

That the system of compulsory trapping with professional trappers and State bonuses is radically bad.

Later on, in their report, the Commission refer to the subject of compulsory trapping, and they say—

Rabbiting parties settle down in thickly-infested country, and speedily kill multitudes of rabbits; as soon as the numbers are greatly thinned, a longer stay is unremunerative. No attempt at extermination is made.

That is the point at which rabbit trapping fails.

The party moves on to another place favorable for its operation, leaving the remaining rabbits to multiply ready for its next visit. Large sums are paid to such parties *per capita*. The station hands are demoralized. The State Treasury is depleted of hundreds of thousands of pounds, and with what result? The rabbits are as numerous as ever; the operations of the trappers simply drive them more and more widely over the country.

It is well known to those who have any experience in the matter that rabbits frightened by the squeals of those that are trapped move on in front of the trapper, and in this way they are spread over the country. The Commission further say—

No good whatever is done except to the rabbits themselves, who fatten on a pernicious system. The Commission expresses its satisfaction that the Rabbit Department of New South Wales has resolutely turned its back upon this wasteful policy. It must not be inferred that the Commission objects to traps and trapping parties *per se*. Trapping is without doubt a useful method, but should be carried out by station hands, and with a view to the extermination of rabbits, not to profitable employment.

That is a point on which I should like to lay great stress. The members of the Commission went very carefully into a consideration of the various diseases suggested for the destruction of rabbits, including the disease known as *sarcoptes cuniculi*, or rabbit scab, which was supposed to be wonderfully efficacious in the destruction of rabbits in South Australia; the bladder-worm disease used in New Zealand, and the so-called Tintinallody disease, which was known in New South Wales. All these were investigated, but perhaps the most important experiment was that made with chicken cholera by one of Pasteur's assistants, who visited New South Wales at the time for the purpose.

Mr. BAMFORD.—Where did the Commission sit?

Mr. Wilson.

Mr. WILSON.—The Commission sat in Sydney.

Mr. BAMFORD.—Was it a New South Wales Commission?

Mr. WILSON.—It was appointed by the New South Wales Government, but perhaps it would be as well if I mentioned the eminent men who comprised the Commission. The members of the Commission were—Henry Normand MacLaurin, Esq., M.D., William Camac Wilkinson, Esq., M.D., M.P., and Edward Quinn, Esq., representing New South Wales; Harry Brookes Allen, Esq., M.D., Edward Harewood Lascelles, Esq., and Alfred Naylor Pearson, Esq., F.R., Met. Soc., F.C.S., A.I.C., representing Victoria; Alfred Dillon Bell, Esq., representing New Zealand; Edward Charles Stirling, Esq., M.D., and Alexander Stuart Patterson, Esq., M.D., representing South Australia; Joseph Bancroft, Esq., M.D., representing Queensland; and Thos. Alfred Tabart, Esq., representing Tasmania. It was thought advisable also to appoint as a member of the Commission Henry Tryon, Esq., of Brisbane. The Commission divided itself into special scientific Committees, by whom the whole of the questions involved in its investigation were thoroughly threshed out, an experimenting station being established at Rodd Island, in Sydney Harbor, where special steps were taken to prevent chicken cholera, or other infectious disease, spreading through the land, to the injury of human beings or domestic animals. The Commissioners were unable to find any evidence to warrant the belief that any known disease could be so employed as to exterminate rabbits. They said that probably many diseases would be found useful auxiliaries in reducing the rabbit plague to manageable proportions, and recommended that further inquiry by competent observers into epidemic and parasitic diseases of rabbits should be encouraged, though, in their opinion, even when much fuller information is obtained, it will still be necessary to continue the methods now adopted for reducing the pest, subject to such improvements as may, from time to time, be discovered. It is well known that the Pasteur Institute did the greater part of the experimenting on that occasion, in its desire to secure the reward of £25,000 offered by the Government of New South Wales, by proclamation, on the 31st August, 1887, to any person or persons who should make known and demonstrate

at his or their expense any method or process not previously known in the Colony, for the effectual extermination of rabbits; of course, subject to conditions. The Pasteur Institute failed to secure the reward, and no remedy has since been found, the experiments now proposed being supported by private enterprise. Some eighteen months or two years ago, when the matter was first mooted, I was asked to express my opinion on the proposal, and I was then, as I am now, somewhat sceptical as to the possibility of an epidemic disease being discovered which would completely exterminate rabbits. I feel, however, that whatever disease is experimented with, must be handled with the greatest care. As other honorable members have said, it is the paramount duty of the Government and of Parliament to consider, first of all, the health of the people, and especially of the poorer classes. Persons of means are always able to obtain medical advice, and to study their health when purchasing food stuffs; but poor people are often unable to get the best advice, and do not know what are, or cannot purchase, wholesome foods. Therefore, the State must assist them by requiring that all food products sold shall be wholesome and fit for human consumption.

Mr. FOWLER.—This is rank Socialism.

Mr. WILSON.—It is not Socialism. I did not expect such an interjection from the honorable member, because I regarded him as so fully informed of the aims and desires of Socialists, as to be capable of recognising the difference between Socialism *per se* and State aid and control.

Mr. WATSON.—Is it not all socialistic?

Mr. WILSON.—No. Socialism is State ownership; what I propose is State control. Many honorable members who call themselves Socialists are not true Socialists, but are putting forward a Socialism of their own.

Mr. SPEAKER.—The question is the proposed introduction of certain microbes to destroy rabbits, and, therefore, I cannot now allow a discussion of the meaning of Socialism.

Mr. WILSON.—I apologise for having been drawn aside by the interjection of the honorable member for Perth, to which I should not have paid attention had it not been that I could not, for the sake of my personal comfort, allow to pass unnoticed the suggestion that I am a Socialist, because I feel that it would be a political

degradation for me to class myself with the Socialists.

Mr. BROWN.—In this matter, at any rate, the honorable member is a good Labour Socialist.

Mr. WILSON.—I am trying to deal with the question in accordance with the dictates of common sense. I wish to see the people of Australia safe-guarded, and I hope that the recommendations of the Commission to which I have referred will not be lost upon us. The Government should take every precaution to see that all experiments with germs are carefully watched, and that no disease is spread through the community until its nature has been fully demonstrated in the laboratory to experts appointed by the Commonwealth Government, or by that Government acting with the Governments of New South Wales and the other States. Because this is not a question affecting the State of New South Wales only. It affects the whole of Australia. Only imaginary lines divide New South Wales from the other States, and of them the rabbit takes no notice.

Mr. FOWLER.—I wish there had been rabbits in the country when I was out in the West.

Mr. WILSON.—It will not be a good thing for Western Australia, a few years hence, if the rabbit establishes itself there, because, wherever the rabbit gets a hold, the primary industries of the country are ruined.

Mr. MALONEY.—Rabbits make a pretty good food.

Mr. WILSON.—An excellent food; but, if they were got rid of, mutton and beef would become much cheaper. Unfortunately, not only is the flesh of the rabbit an excellent food, but every other portion of it is of value. As the honorable member for Darling pointed out yesterday, a preparation similar to bovril is made from its flesh; while the fur makes excellent hats, and the pelt can be turned into gelatine. Unfortunately, however, the rabbits have so multiplied as to become a fearful pest. The Commission to which I have referred says that suggestions for the destruction of rabbits by disease were received from 115 correspondents. Of these suggestions, 26 came from New South Wales, 8 from Victoria, 3 from South Australia, 3 from Queensland, 6 from New Zealand, 2 from Tasmania, 1 from Fiji, 15 from England, 4 from Scotland, 1 from Ireland, 12 from France, 3 from Belgium,

2 from Germany, 2 from Switzerland, 2 from Spain, 1 from Italy, 1 from Austria, 1 from Roumania, 17 from the United States, 1 from Canada, 1 from India, 1 from Netherlands India, and 2 from South Africa, showing how world-wide is the interest in this subject.

Mr. BAMFORD.—Is the reward still being offered?

Mr. WILSON.—No. The money which is being expended in connexion with Dr. Danysz's visit is being provided by the Pastoralists' Association of New South Wales. The nature of this microbe is not exactly known. As the Minister of Trade and Customs pointed out, it is described as a *pasteurella*, a class of bacteria which have only been differentiated within the last few years. There are different forms of the microbe, and the particular form which Dr. Danysz maintains that he has isolated, and which he claims will prove effective in the destruction of rabbits, is one which does not affect other rodents. Dr. Danysz in his original letter, which I have read, shows that he is fully alive to the difficulties of the task before him, and the danger attached to the dissemination of disease.

Mr. FOWLER.—Would he not be naturally prejudiced in favour of his own proposal?

Mr. WILSON.—Probably he would, and that is why I say that we should take every precaution to safeguard human life and domestic animals.

Mr. KELLY.—In other words, the honorable member agrees with me?

Mr. WILSON.—No, I do not agree with the honorable member at all points. I am in agreement to some extent with honorable members on the other side, but I may say at once that I do not approve of the suggestion of the honorable member for Gwydir that the true remedy is to be arrived at by means of the imposition of a confiscatory land tax. That is one of the most outrageous proposals I have ever heard of. If we could administer to the rabbits a little dose of progressive land tax they would probably die of very shame. I would prefer to see Dr. Danysz's microbes let loose upon this Continent rather than that a confiscatory land tax should be imposed. Such a measure would prove harmful to all the producing interests of Australia. In the first place, the experiments should be conducted in a laboratory under the control of such men as Dr. Tidswell and Dr. Cherry, and perhaps other experts appointed by the other States Governments.

That course was adopted in connexion with the previous Commission. Only a few weeks would be required to determine whether any danger of contagion with domestic animals or human beings was to be apprehended. The laboratory tests would be complete. For instance, rabbits would be infected with the disease, and would be put in cages with other animals, and perhaps some birds, to ascertain whether there was any danger of the spread of the disease to other animals.

Mr. SPENCE.—Could we not put a pastoralist into the cage?

Mr. WILSON.—Perhaps we might do that, and also select a member of the Australian Workers' Union for a similar purpose. I should like to point out to the honorable member for Darling that the men whose interests he so strongly advocates are suffering to perhaps a greater extent than any others owing to the ravages of the rabbits.

Mr. SPENCE.—They are making a good living by trapping them.

Mr. WILSON.—I cannot understand why the honorable member should say that. He must know very well that if we had no rabbit pest we should be able to graze a considerably larger number of sheep, and thus afford much more employment for shearers and others. I shall endeavour presently to show the difference between the value of the products of the rabbit industry and the extent to which we are prevented from increasing other products owing to the ravages of the rabbits. As I have pointed out, the experiments should be first conducted in the laboratory. If they prove successful, the method adopted on a previous occasion should be followed. The rabbits should be taken to an island, or some other isolated spot, and the microbe should be subjected to a thorough test under such conditions as prevailed on Rodd Island some fifteen years ago. I should like to quote from the report with regard to the former experiments, to indicate the nature of the precautions taken at Rodd Island. The report says—

A description of the station is given in section VIII. of the detailed report, so that here it need only be said that the island is surrounded by a broad belt of water; that the general enclosure, in which animals are kept measures nearly a quarter of an acre, with stalls and pens, an aviary, artificial burrows, &c., the whole enclosure, with every outlet from it, being protected by fly-proof gauze, the drainage being conducted into disinfecting tanks, and a furnace being provided in which dead carcasses and all infected

matters may be burnt. A well-equipped laboratory is provided, with quarters for the experts and servants. All these works were completed in less than two months, and thus, at a comparatively small cost, provision was made for the experiments to be performed under the direction of the Commission.

There we have a description of what was actually done in connexion with a similar experiment, and there is no reason why we should not follow the same course on this occasion. The report goes on to say—

And when its work is ended, a permanent bacteriological station will remain, in which, from time to time, the communicable diseases of animals can be studied with facility.

Shortly after the experiments were completed, a large section of the buildings was destroyed by fire. If we desire to keep pace with the onward march of events, we should establish a permanent laboratory on a scale sufficiently large to enable us to deal with matters affecting our commercial interests and the health of the people. The suggested test upon the island would give sufficient assurance that the microbe was not dangerous to human life, or to domestic animals, and the third stage of the experiment might then be safely entered upon. On the former occasion, an area of 500 acres on the mainland was securely enclosed with wire netting, and used for experimental purposes. It would be necessary to select a badly infested tract of country, and allow the disease to do its work under natural conditions. Domestic animals should be placed in the enclosure, and workmen should be permitted to carry out such duties as they would be called upon to perform under every-day conditions. If, after a reasonable time, the experiments proved successful, we might rest assured that there was no danger to be apprehended. Still, as a further precaution, it would be well to permit of the use of the contaminating influence in respect to rabbits only within wire-netted areas. Then, if, after a time, it were found that the microbe would not attack domestic animals or human beings, it might be allowed to pass into general use, particularly in areas in which it is now difficult to cope with the evil. We have in every State large scrubby areas, such as are to be found in the Portland, Cape Otway, and Westernport districts, and also in the hilly country in the north-west of Victoria. The Chief Inspector under the Vermin Destruction Act in Victoria states that the greatest difficulty is experienced in destroying the rabbits in these areas. It is there that the foxes do

so much towards keeping down the pest. Although the foxes have proved to be a great nuisance in many places, the Chief Inspector maintains that they are responsible for the destruction of 60,000,000 rabbits annually. The honorable member for Gwydir has referred to the pests which have been introduced amongst us. Honorable members can scarcely conceive of the number of pests with which we are surrounded. Upon one occasion when I was the Demonstrator of Bacteriology at the London Hospital, I selected two gelatine plates, and exposed them for ten seconds in two separate rooms at the entrance to the Hospital. I then carefully covered them, and conveyed them straight away to the incubator. Three days afterwards, I found upon one of the plates 150 separate colonies of germs, and upon the other plate 57 colonies—that showed the difference between the two rooms in which the plates were respectively exposed. After separating these colonies of germs and placing them in tubes, I found that in the 150 colonies on the one plate 37 different kinds of germs were represented.

Sitting suspended from 1 to 2 p.m.

Mr. WILSON.—When the sitting was suspended, I was giving some particulars of an experiment which I undertook in London some years ago, with a view to showing the manner in which we are surrounded by unseen germs. But if we were to be constantly worrying about these invisible foes, life would become almost unbearable. The honorable member for Gwydir has asked me to give him some information as to the nature of the germs that were revealed in the plate which I exposed. I have forgotten the names of most of them, and there were some which could not be classified at that time, but I know that I did isolate the germs of diphtheria. Honorable members must know that there are myriads of germs floating about in the atmosphere. But Providence has provided us with a method of resisting their evil influences. Honorable members will recollect that some years ago Professor Metschnikoff, of Paris, made some very interesting experiments upon this subject. He propounded a theory that the large white blood corpuscle, which he called the phagocyte, has the power of absorbing germs, and of thus entirely destroying them. It is by means of what is known as phagocytosis, that we are rendered immune from many diseases to

which we are otherwise liable. About the time that I made the experiment to which I have referred, within the walls of the London Hospital, a friend of mine exposed a similar plate at the corner of Oxford-street and Tottenham Court-road. By an exposure of ten seconds he obtained no less than twenty-three colonies of germs. These facts show that it is very easy to arouse the public to an apprehension of dangers which are more imaginary than real. Upon the present occasion there has been a good deal of fear created in the minds of the people by the agitation which has taken place. I am not going to say that that agitation has not done a certain amount of good, because it is our duty, as representatives of the people, to safeguard the public health as far as possible. It is for that reason that I am disposed to support the motion with the amendment which has been accepted by the honorable and learned member for West Sydney. It has been said—and there is no doubt a great deal of truth in it—that much of the agitation against the introduction of the microbe brought to Australia by Dr. Danysz, has been aroused by the exporters of the products which are derived from rabbits. I do not say for one moment that these people are not acting rightly in endeavouring to safeguard their own interests. I think that they are. I believe that the rabbit trappers, too, have a perfect right to look after their interests. Indeed, it is for all parties to take an interest in every form of commercial advancement in Australia. Throughout the Commonwealth rabbits are regarded as vermin, and if, whilst destroying them, we can convert them into a valuable commercial product, there is no reason why we should not do so. At the same time, we should recollect that the rabbit-trapping industry is carried on at an enormous cost to our staple industries. Whilst the rabbit-trapping industry provides a certain amount of employment, that employment is not to be compared with what would be provided by these other industries if the rabbit pest were eradicated. At this stage I desire to quote a few words from a letter which was addressed by the late Dr. Pasteur to the Chief Inspector of Stock in New South Wales in 1888. The letter is in French, but, broadly translated, it reads—

The public of Australia and the Government of Australia must not allow dust to be thrown in their eyes by persons ignorant or interested.

Mr. Wilson.

I think that honorable members will agree with me when I say that Professor Pasteur was one of the most eminent and practical bacteriologists that the world has ever known. Up till the time that his life closed he had accomplished a very great deal for humanity, and it is interesting to us to know that he wrote the warning which I have quoted. I would also point out that the municipal association of Victoria recently waited upon the Premier with a request that experiments with Dr. Danysz's microbe should be permitted only under stringent conditions, to be approved of by a committee of scientists representing the States of Australia. Their request is set forth in the *Age* of 22nd February last, and reads—

That the Executive Committee of the Municipal Association of Victoria, whilst recognising the importance of fully investigating any suggestion which appears to offer a means of more successfully combating the rabbit pest, is strongly of opinion, in view of the possibility of danger to other forms of animal life, that experiments to ascertain the practicability and efficiency of the method proposed by the Pasteur Institute, of eradicating rabbits by the introduction of the virus of some epidemic disease, should only be permitted under stringent conditions, to be approved by a committee of scientists, representative of each of the States of Australia.

That is the position which we are taking up at the present moment, and I maintain that it is a sound one. On 11th January last an article appeared in the *Age*, which lays certain facts before the public that are well worthy of consideration. The article first discusses the question of the practicability of dealing with the rabbit pest by means of a disease. It argues that this work should not be undertaken lightly, but that every care should be exercised to safeguard the health of the people. It continues—

We have no wish to deny that the rabbit pest is a serious one. The pest is increasing of late in consequence of the abundance of feed. It is calculated that some 8,000,000 rabbits are frozen in their pelts and exported yearly. In addition to this, 12,000,000 skins are shipped abroad, and £12,000 worth of rabbit fur is used up every year in the manufacture of hats. The rabbit trade is said to be worth from £250,000 to £300,000 a year. We do not say that it is worth preserving at the cost of the sheep and cattle whose food it destroys. But it is not by any means certain that the rabbit is incapable of suppression on sane lines, and by decent means. Whole stretches of country which used to be overrun are now so bare of the rabbit that the farmer cannot get one for his pot. The trouble arises where settlers are adjacent to large areas of Crown lands and forests, or near to the water shed reserves, where it is almost impossible to exterminate rabbits. In such places settlers lose

heart, because as fast as they clear their lands of the pest, there are irruptions from the Government territories. But that should not be without a remedy. We spend in Victoria some £16,000 a year in rabbit extermination. Could not much more be done with the money if the Crown were to securely fence off all its forests with wire netting, and help the settlers, whom it has wronged, to do the same.

Still another article appears in the same journal of 26th May, and I imagine that the information which it contains was derived from one of the best authorities in Australia upon the question of how to deal with the rabbit pest. That article shows the cost at which the rabbit industry is maintained. It states that the value of the industry to the State of Victoria is £350,000 per annum, and asks very pertinently, "What price are we paying for this return?"

Mr. WEBSTER.—The writer has underestimated its value.

Mr. WILSON.—That amount is an estimate of the value of the industry in Victoria only. The article continues—

It is now conceded that as a means of extermination trapping for the market has little or nothing to commend it. Lands trapped over one season are as thickly infested the next, and instead of working himself out of employment, the trapper finds that there is more work to be done with each succeeding year. It is occasionally asserted that he takes good care to maintain the supply; that he sets free all young and half-grown rabbits that are not marketable, and that he is tender-hearted enough to regard the miseries of the "bunnies" enclosed by wire-netting. Considering that he depends upon the spread of rabbits for his livelihood, recourse to these tactics would, perhaps, be only human. But, even supposing that each trapper is a disinterested philanthropist and patriot, it is now pretty well certain that his operations most frequently tend to promote the evil he is supposed to cure.

With that I entirely agree, and at enormous cost to myself, I have had considerable experience in dealing with rabbits. Trapping is absolutely valueless as a means of eradicating this pest. The writer of this article proceeds—

The Victorian Vermin Destruction Department and many land owners are convinced that rabbit destruction and the rabbit trade cannot go together. In New South Wales it is asserted that while the rabbit trade is worth no more than £600,000 a year, the rabbit as a pest reduces the carrying capacity of the land by about 40 per cent., and accounts for an annual loss to the primary industries amounting to about £13,000,000.

I should like honorable members to compare these two sets of figures.

Mr. BAMFORD.—How is the £13,000,000 arrived at?

Mr. WILSON.—By estimating the number of rabbits and assuming that eight rabbits will eat as much grass as will one sheep.

Mr. WEBSTER.—That is not correct.

Mr. WILSON.—I am prepared to place the opinion of Mr. Frank Allen, Chief Vermin Inspector in Victoria, against that of the honorable member for Gwydir on this subject. Mr. Allen has made a study of the question ever since rabbits became a pest in Victoria, and understands the question thoroughly. He estimates that eight rabbits consume as much grass as one sheep.

Mr. KENNEDY.—That is so.

Mr. WILSON.—I am sure that the honorable member for Moira, who is a practical farmer, and knows what rabbits will do, and the honorable member for Grampians, will bear out that estimate.

Mr. WEBSTER.—If that were an accurate estimate, there would not be a sheep left in New South Wales.

Mr. WILSON.—The honorable member for Herbert has asked me how the figures I have quoted have been arrived at. The writer of the article assumes that eight rabbits will consume as much grass as one sheep, and that eight sheep or sixty-four rabbits consume as much as one bullock. It is therefore easy to make the calculations which are here set forth on that basis. The article continues—

In round figures, the number of rabbits killed in Victoria every year does not fall far short of 140,000,000. As already observed, the export trade accounts for 20,000,000—a number that might easily be increased, for there is a large percentage of rejects. It is estimated that the work of destruction—digging out, fumigation of burrows, &c.—accounts for 60,000,000, and Mr. Allen, head of the Vermin Destruction department, reckons that another 60,000,000 are killed by foxes.

Mr. PAGE.—Who brought all these rabbits here?

Mr. WILSON.—If the honorable member had been present this morning, he would have heard the statement made that they were introduced by persons who thought they would be of value to the State, and did not know that they would become a pest.

Mr. WILKINSON.—The same mistake might be made by the introduction of microbes.

Mr. WILSON.—That is so, and that is why we are asking that their introduction should be safeguarded. The article further states—

This last calculation will doubtless give rise to a little wonder. The number of foxes killed

annually is set down at 100,000. On 50,000 of them the Government and the municipalities pay a bonus of 2s. 6d. a head. There are said to be at least 200,000 foxes still at large, and that, as they are to a great extent shut out from the lambs and the poultry yards, they are forced to live on rabbits.

The next question asked, and it is a pertinent question, is this—

What number of sheep could be raised on the lands despoiled by this vermin if the pest were annihilated? A proportion of the rabbits doubtless feed upon the worst of the unalienated Crown land—dense bush country and rugged heights, unsuitable for sheep—but comparatively few, for the best country is always the most thickly infested. Of the 25,000,000 at least 20,000,000 exist on lands, mostly freehold or leasehold, that are eminently suited for sheep farming. Eight rabbits require as much grass for their support as one sheep, so that, according to a rough calculation, if the rabbits were exterminated, 2,500,000 sheep could be raised in their stead.

Mr. JOSEPH COOK.—In Victoria alone?

Mr. WILSON.—Yes.

There are now about 12,000,000 sheep in the State, and consequently the carrying capacity of the land is reduced by at least 20 per cent.

I have shown that the carrying capacity of the land has been reduced by 40 per cent. in New South Wales, and in the report of the Royal Commission to which I have referred, it is shown that the reason for that is that the rabbits have eaten out the salt bush and other edible shrubs, which were found in the infested country in that State, but which are not found to any very great extent in Victoria. The writer proceeds—

In New South Wales, as already observed, the estimated reduction is 40 per cent. Assuming that the wool and sheep industry is now worth £5,000,000—in 1904 it was worth £4,073,780—the rabbits cost the country in this way alone fully £1,000,000.

That is what it costs Victoria.

Mr. JOSEPH COOK.—Is that for a year?

Mr. WILSON.—Yes, that is the cost for each year.

The amount of loss they occasion to the cultivator, dairy farmer, and horticulturist is relatively large. In addition to this, over £750,000 is annually spent—chiefly by landholders—in the work of destruction. The affairs of the State in account with the rabbit may be approximately set forth thus—

I should like honorable members to pay particular attention to these figures, because they show the enormous destruction which is wrought by rabbits, and the tremendous effect which their depredations

must have upon the interests of the working men of the community.

PROFIT.

Value of rabbit industry ... £350,000

LOSS.

Loss in sheep pastures ... £1,000,000

Loss in other industries ... 500,000

Cost of destruction ... 750,000

£2,250,000

Loss to the State ... £1,900,000

That is an enormous loss, and these figures show that we are now dealing with one of the most important questions which have to be considered in Australia. I have shown the enormous annual monetary loss, but there is another loss which must also be considered. The rabbit is an animal that destroys the land on which it lives, and is thus depreciating our chief national asset, the land. On the other hand, it is well known that the depasturing of sheep and cattle on land improves its value. The breaking up and working of land in the process of agriculture also improves it, but the improvement of the land by these means cannot go hand in hand with the existence of rabbits. We have to set the money earned by those engaged in the export of rabbits against a loss amounting in Victoria to over £1,000,000 a year, which has to be borne by every individual in the State.

Mr. WEBSTER.—Every one regrets that fact.

Mr. WILSON.—I am sure that the honorable member does, but the facts in connexion with this matter must be borne in mind. We must do all that is possible to safeguard the health of the people, but I think that we should permit these experiments to be carried out as I have suggested, first of all in a laboratory, then in an enclosure or an isolated island, later in an enclosure on the mainland, and then in wire-netted areas of greater extent. If that course is adopted, I think we shall have sufficiently safeguarded the interests of the people. What we desire to do, and what we must do, is to rid Australia of the rabbit. The microbes proposed to be introduced by Dr. Danysz will not do everything. I do not say that they will do anything, but they may do something, and if they will render assistance to this great work of the extermination of rabbits we shall have done something for Australia in introducing them. We must continue the

work of rabbit destruction, because the pest is at present a grave national danger to Australia. Having seen other parts of the world, I can speak from personal knowledge when I say that Australia is one of the finest countries on the face of God's earth. It is a part of our work to preserve it for the people who are already here, and to introduce as many as possible of a good stamp of the Anglo-Saxon race. In this respect the question has some bearing on the question of immigration, and we shall be adopting a means to that end by improving the carrying capacity of the lands of Australia, not only for sheep, but for human beings.

Mr. JOSEPH COOK (Parramatta) [2.27].—I regret very much the tone of some of the speeches made during the debate on this very important matter. I particularly deprecate the introduction of politics into a discussion on the question of the destruction of a pest. Nothing could more degrade the consideration of a question like this than to give the discussion upon it a political tinge. I believe that the honorable member for Gwydir this morning advocated the imposition of a land tax as a remedy for the rabbit pest. By so doing the honorable member reminds me of the action of his leader in going about the country advocating a land tax, and telling the people that it is anything but what it really is. The honorable gentleman has told the people that it spells immigration, the land for the people and the people for the land; that it means defence—that, in fact, it means anything but what it really does mean.

Mr. BAMFORD.—Why should the honorable member introduce politics?

Mr. JOSEPH COOK.—I am replying to a political argument which was used this morning. I regret that honorable members should so degrade the discussion of a question of this kind as to introduce their party politics in dealing with it.

Mr. WEBSTER.—As to recommend a practical remedy.

Mr. JOSEPH COOK.—Of course, the practical remedy being the honorable member's land tax, for which he and his party are out with all sail set in connexion with the next elections. I say that the honorable member had no right to drag the consideration of such matters into a debate upon a question of this kind.

Mr. SPEAKER.—I think that the honorable member for Parramatta was not present when the honorable member for Gwy-

dir made his speech, and he may therefore not be aware that what the honorable member stated was that, in his opinion, one of the best means of dealing with the rabbit pest was closer settlement, which he held that a land tax would bring about. The honorable member in no sense debated the question of a land tax, and I cannot permit that question to be debated now.

Mr. JOSEPH COOK. — That is just the reference that I made. The honorable member is not the only Labour politician who seems to be on the same track. Here is what a Labour member of the New South Wales Parliament said the other day, when speaking on the subject—

Personally he absolutely disapproved of the introduction of disease to exterminate the rabbit pest. It was a pest that could be held in check by the land-holders. There was never a greater blessing than the rabbit, for the poorer classes, in the country, and there were thousands of men in excellent positions, secure from want, and all owing to the rabbit. Immediately the scientist commenced his experiments, a blow would be struck at the rabbit industry. He could assure them that Parliament would not meet twenty-four hours before he gave expression to his views on the introduction of a disease—introduced as it was by the big pastoralists, and crippling the poorer classes.

Mr. WEBSTER.—Who said that?

Mr. JOSEPH COOK.—Mr. Gardiner, speaking at Perth.

Mr. WEBSTER.—He is a wise man.

Mr. JOSEPH COOK.—Does the honorable member agree with those opinions?

Mr. WEBSTER.—Not necessarily.

Mr. JOSEPH COOK.—Mr. Gardiner is a very good fellow, and I regret that he has spoken in that way about the greatest pest with which Australia has been cursed.

Mr. MAHON.—Who introduced the rabbits?

Mr. JOSEPH COOK. — Who introduced original sin? There is as much sense in asking the one question as in asking the other at the present moment. The rabbit pest is here, and we must do the best we can to combat it. I wish now to say a word or two from the New South Wales standpoint. I have looked over Mr. Giddings' report, and I find that the honorable and learned member for West Sydney followed it in almost every detail, departing from a relation of the statements contained in it only in quietly leaving out anything that did not favour his position. He told us what Professor Anderson Stuart has said regarding some aspects of this matter, and tried to lead the House to believe that the professor is totally opposed

to the proposed experiments, whereas nothing can be further from the truth. It is true that Professor Anderson Stuart has suggested safeguards under which the experiments may be carried out, but he is lending his aid in every possible way to make them a success, while he has himself, after consultation with Dr. Koch, in Germany, made suggestions for the eradication of the pest. Professor Anderson Stuart is no enemy to the adoption of a remedy of a scientific character which may be safely used for the destruction of the rabbits. Mr. Giddings has not made a fair report of the state of the case, so far as New South Wales is affected. He says that the experiments are to be carried out by an irresponsible French bacteriologist, who is answerable only to an unofficial body. That is the concluding phrase of his report, and I am therefore not surprised at the abrupt steps taken by the Minister at the last moment, after receiving it.

Mr. MAHON.—Mr. Giddings is a newspaper man pure and simple—not a doctor.

Mr. JOSEPH COOK.—Then am I to understand that the Government is taking advice on a scientific matter from a newspaper reporter, and that the scientists of Australia are being put aside because of his report?

Mr. MAHON. — Did not the honorable member hear the Minister say yesterday that he is following Dr. Tidswell's advice?

Mr. JOSEPH COOK.—Yes; and I was very glad to hear him say so. I shall be satisfied if he will follow Dr. Tidswell's advice all through, because I believe the doctor to be an independent and honest man, and one of the best-informed in Australia in connexion with these matters. The Minister could not follow better advice.

Mr. MAHON.—Then why does the honorable member say that he is following the advice of a newspaper man?

Mr. JOSEPH COOK. — Because the Minister said that he took certain action on receipt of Mr. Giddings' report.

Sir WILLIAM LYNE.—No. I have not read that report. I spoke all through of Dr. Tidswell's report.

Mr. JOSEPH COOK.—Has the Minister laid on the table a report which he has not read?

Sir WILLIAM LYNE. — I know the substance of it, but I have not read it.

Mr. JOSEPH COOK. — One wonders how we are being governed when a Minister lays on the table a report bearing on

the question of most importance to Australia, and confesses that he has not read it.

Sir WILLIAM LYNE.—I laid the report upon the table because some member of the Opposition asked me to do so.

Mr. JOSEPH COOK.—Am I to understand that the Government attaches no importance to this report?

Sir WILLIAM LYNE.—I have seen it, but I have not read it, because I have made up my mind to act right through on Dr. Tidswell's advice.

Mr. JOSEPH COOK.—Then I have no more to say about the report, except that the speech of the honorable and learned member for West Sydney was a rehash of it. As it was laid upon the table by a responsible Minister, it was natural to suppose that the Government had paid attention to it.

Sir WILLIAM LYNE.—Does the honorable member think that I have read all the evidence of the Tariff Commission which I have laid on the table?

Mr. JOSEPH COOK.—I am sure that the Minister has read very little on the Tariff question; that makes him so cocksure about his Tariff proposals. If he had read more on the subject, his actions might perhaps not be so abrupt. We have heard a great deal about the relation of the rabbit pest to the settlement of the unemployed question, and no one rejoices more than I do, because, incidentally, the destruction of rabbits gives employment to persons who might otherwise be in want of it; but that surely is not a reason for refraining from taking all proper means to eradicate the pest. I have listened with the greatest surprise to the statement that the pest is a good thing for Australia, because of the employment which it gives.

Mr. WEBSTER.—Who said that?

Mr. JOSEPH COOK.—I have just read part of a speech in which the statement was made that the pest is really one of the greatest blessings that Australia enjoys, and that was also the undercurrent of the speech of the honorable and learned member for West Sydney, although adroitly concealed. The matter is viewed through very strange spectacles when it can be argued that the existence of the pest is not an evil which it is necessary to remove by all safe means. The rabbit pest is costing Australia to-day as much as would give every man who is engaged in rabbiting a fortune, and it would be more profitable for us to pay a fortune to these men from the public Treasury, if we could thereby abolish the

pest, than to allow the evil to remain for the sake of the employment which it gives. The New South Wales Secretary of Lands stated the other day that the country has lost from £8,000,000 to £10,000,000 through the pest. Those figures were supplied to him as the result of an elaborate computation made by his officers, and I venture to say that the loss of Australia has been at least £20,000,000. Do honorable members realize that New South Wales has paid from £600,000 to £700,000 in the way of bonuses for the destruction of rabbits, and that the rent from her Crown lands in the Western Division has been reduced from about £250,000 a year to £60,000 or £70,000 a year? I think that the rabbits are costing the country £1,000 a year for every man engaged in the rabbiting industry who, but for it, would be unemployed. One deals with the question in a manner which is economically absurd if the fact that the rabbit industry gives employment to a certain number who are urgently in want of it is viewed out of its proper relation to the existence of the pest, and as though this incidental employment made the pest a blessing to Australia. It is wrong, too, to assume that only the big pastoralists are interested in the destruction of rabbits, because probably at least one small land-holder is suffering from their ravages for every man to whom the destruction of rabbits gives employment.

Mr. PAGE.—It is a national question.

Mr. JOSEPH COOK.—Exactly. They say that an ounce of fact is worth a ton of theory. Well, I met the other day a man with whom I at one time used to work. He took up 33 acres of hungry ground, such as I should not like to settle upon, and has since been making a living from it, but nothing over. He told me, however, that the rabbits have now entirely eaten him out, that he has had to borrow money to fence in five acres of his land, and that he hopes in time to fence in the whole of it. That incident shows that it is not only the pastoralists who are suffering from the ravages of the rabbits, and that it is not enough to say that if the big runs were divided up all would be well. The small men are suffering equally with the big men. Moreover, the agriculturalists as well as the pastoralists are suffering, because the rabbits will eat wheat and other growing crops when there is no grass, and do as much damage to the farmers as to the sheep-breeders. Some honorable members have sought to

make it appear that this matter is being taken up by the pastoralists of New South Wales, and that the State Government are taking no action in the matter. The plain fact, however, is that Mr. Ashton, the Minister of Lands, is the trustee of the fund from which the expenses are being defrayed. Moreover, nothing has been done without first consulting the New South Wales Government, which placed Broughton Island at the disposal of the experimentalists. Further than that, the buildings on the island were erected with the approval of the health authorities of the State. Therefore, the Government of New South Wales has been thoroughly identified with the movement from the beginning, and it is not fair to say, as Mr. Giddings' report would make it appear, that the whole thing has been instigated by the pastoralists. Action has not been taken by an irresponsible body, but by one acting with the full approval of the Government and of the Health Department of that State. A laboratory for experimental purposes has been built upon Broughton Island, and dogs, sheep, cattle, horses, goats, pigs, and fowls have been placed on the island ready for Dr. Danysz. All that the Stock and Pastures Board now ask is that Dr. Danysz shall be allowed to conduct his experiments under every proper safeguard that may be proposed. Judging from the discussion that has taken place, one would imagine that Dr. Danysz was going to scatter his microbes broadcast in the same way that a man would sow a field with barley. Nothing could be further from his intentions, or from those of the originators of the movement. It is made clear in all the communications that have passed that Dr. Danysz will have to satisfy the health authorities in Sydney and the Government in New South Wales with regard to the safety of his experiments, and I cannot understand why the Minister of Trade and Customs, with a knowledge of all these facts, should wait to ascertain the will of Parliament before allowing the microbes to be opened up. As a Parliament, we are not competent to express any opinion upon the matter. We have only three or four scientific men amongst us, and they are in accord with the opinion of scientific authorities outside, that it will be perfectly safe to allow Dr. Danysz to proceed with his experiments under competent supervision. Why should the Minister have been so timid as to wait for the opinion of a

number of men who are not experts? He has shown lamentable indecision and weakness. The Government have had scientific authorities to guide them, and yet they have abstained from action until the members of this House could express an opinion as to whether or not it would be safe to experiment with the microbes as proposed. Personally, I do not know whether it will be safe, but I believe so. My belief is based upon the statements of those who have made a life study of such questions, and I suppose that other honorable members stand in much the same position. May I remind honorable members that this is not the first experiment of the kind that has been made in Australia. In 1887 or 1888, the Government of New South Wales offered a bonus of £25,000 for a successful method of eradicating the rabbits, and in the hope of securing that prize, a gentleman came out from the Pasteur Institute, and set up a laboratory within a stone's throw of Sydney. He made all his experiments with perfect safety, notwithstanding that they failed. Now, it is proposed to take further precautions. The spot selected for the experiments is Broughton Island, which is some distance away from the city of Sydney, and a mile or two from the New South Wales mainland. Every possible precaution is being taken, and scientific experts in the employment of the New South Wales Government have been placed in charge of the experiments. Yet the Minister, knowing all this, and after having taken the advice of the very expert who is in charge of the experiment, has come down to the House and asked members for their opinion. I do not know what would happen if this Parliament should get a scare and determine that on no account should the microbes be opened up. We could not prevent the experiments from being made in New South Wales. The Minister of Trade and Customs admits that if the microbes were handed over to the New South Wales officials, he would be powerless to do anything. Moreover, it has been pointed out that these pasteurellas are already to be found in large numbers in Australia. I understand that Dr. Danysz has selected one of these, and has made it virulent. I presume that he could do much the same thing in Australia. If he did so, the Government would have no authority over him.

Mr. Joseph Cook.

Mr. WILSON.—He must have the true originating microbe before he could do that.

Mr. JOSEPH COOK.—Yes; but the microbe could be cultivated here as well as in France. I am reminded of some remarks which were recently made by the leader of the Victorian Labour Party when he headed a deputation to the Minister of Trade and Customs. In passing, I should like to say that it is remarkable that the active political agitation that is being carried on in connexion with this question is confined almost solely to the Labour Party. Mr. Prendergast delivered himself in the following learned fashion:—

He thought Dr. Danysz should have made his experiments in France before coming here.

What are the facts? Dr. Danysz has made his experiments in France, and has come here merely to ascertain if the microbes will survive in a different environment. It would be impossible for Dr. Danysz to carry out Mr. Prendergast's suggestion in France, because there are no rabbits there. The rabbits have been exterminated by some disease, and in the interests of sport some people in France have offered a large reward for the production of some microbe which will kill the microbe that has killed the rabbits. Yet we have the sapient leader of the Victorian Labour Party suggesting that Dr. Danysz should do what he has already done. Mr. Prendergast is too late in the day, and I am afraid that it is too late for any of us who are novices to offer suggestions in this difficult field of investigation. The only question for us to consider is, "Can the experiments be made under conditions of safety?" That is a matter that laymen cannot determine. But we can accept the guarantees of scientific men, and circumscribe the area, and in that way secure absolute safety in the experimental stages. So far as expert evidence goes, it is all in favour of observing the strictest precautions. That was the idea of Dr. Danysz before he came to Australia. Mr. Carruthers, the Premier of New South Wales, says that—

The only microbes known to Dr. Danysz at time of writing to be fatal to rabbits are those which are spontaneously generated amongst rabbits themselves.

Dr. Danysz says that—

He wishes it to be expressly understood that he fully recognises the necessity of affording assurances that his virus can be used without danger to animals other than rabbits. He had

not contemplated other than laboratory work until that point had been demonstrated.

Where is the necessity for the motion submitted by the scientific and learned member for West Sydney? He has submitted a motion affirming that this experiment should not be conducted except under conditions such as Dr. Danysz has already suggested. Surely he has engaged in a work of supererogation, and there would be no justification for any motion of the kind, unless Dr. Danysz proposed to do something altogether opposed to the best scientific advice available to us. I hope that by the time this discussion is concluded, the Minister of Trade and Customs will be better informed from a scientific stand-point, upon this great and absorbing question. All the experiments have been placed by the State Government under the control of Dr. Tidswell, so that the Minister of Trade and Customs, when he states that he is acting upon the advice of Dr. Tidswell, is taking the advice of the New South Wales Government official.

Sir WILLIAM LYNE.—I am taking the advice of their officer, but for this purpose he is our officer.

Mr. JOSEPH COOK.—Dr. Tidswell had been appointed to take control of the experiments before his advice was sought by the Minister of Trade and Customs.

Sir WILLIAM LYNE.—We have made him our officer for the time being, and we have got hold of the microbes, too.

Mr. JOSEPH COOK.—Some of the Minister's statements about impounding the microbes indicate a degree of stubbornness that is quite characteristic of him.

Sir WILLIAM LYNE.—I have shown my determination.

Mr. JOSEPH COOK.—The Minister is very bold and determined when he has a whole Parliament at his back—when he thinks that his course is perfectly safe.

Sir WILLIAM LYNE.—I really thought that I was going to get some assistance from the honorable member, and that he would indulge in some nice platitudes in reference to this matter.

Mr. JOSEPH COOK.—The Minister talks about platitudes, but he is merely duplicating action which has already been taken by one of the States.

Sir WILLIAM LYNE.—The honorable member will not give me any credit at all.

Mr. JOSEPH COOK.—Why should I give the Minister credit for worrying himself over nothing? If he had done some-

thing which was contrary to the opinion of the New South Wales Government, or to that of Dr. Tidswell, I could understand him taking this further action, but he is exercising no additional precaution. A mere duplicate is not an additional precaution. All that he has done had already been done by New South Wales.

Mr. HUGHES.—Why was it done?

Mr. JOSEPH COOK.—It was done in the interests of the safety of these experiments.

Mr. HUGHES.—Why was it not done before?

Mr. JOSEPH COOK.—Had not the honorable and learned member better proceed with his letter-writing instead of stopping to make an inane interjection? I repeat that the Minister of Trade and Customs has merely taken action similar to that which had already been taken in New South Wales.

Mr. HUGHES.—It was not taken there.

Mr. JOSEPH COOK.—It was.

Mr. HUGHES.—When?

Mr. JOSEPH COOK.—The statement of the Premier sets out—

The personal supervision and checking of all experiments conducted by Dr. Danysz has been intrusted to Dr. Tidswell, micro-bacteriologist, whose scientific capacity is of the highest.

Mr. HUGHES.—When was that statement made?

Mr. JOSEPH COOK.—Before the Minister of Trade and Customs took any action whatever.

Sir WILLIAM LYNE.—It was made after I took action.

Mr. JOSEPH COOK.—The Minister is quite wrong. The statement in question was published in the *Stock and Station Journal* of New South Wales a fortnight ago. I fear that the honorable and learned member for West Sydney has fallen somewhat into his Arbitration Court style, if we are to judge by his speech yesterday, and his interjections to-day. Of all the laboured arguments to which I ever listened commend me to his speech of yesterday. Here, again, is what Dr. Tidswell said before the Minister took action—

I have to advise that in the hands of competent persons these laboratory observations could be conducted without the slightest danger either to man or animals, other than those experimented upon.

The Minister of Trade and Customs had all this scientific opinion available. When he took over Dr. Tidswell he was

perfectly aware that that officer had already been put in charge of the supervision of Dr. Danysz's experiments by the New South Wales Government. He also knew that Dr. Tidswell had reported that those experiments could be with perfect safety conducted. He was further seized of the fact that Dr. Danysz had publicly stated that he had no intention to conduct other than laboratory experiments. Consequently the Minister is merely doing again by means of Federal action what has already been done by the Government of New South Wales. I believe that every precaution should be taken in connexion with the proposed experiments. We cannot be too careful how we let loose microbes in Australia. But my point is that nobody has proposed to let these microbes loose. Yesterday the honorable and learned member for West Sydney drew a picture of a man throwing about microbes, which were to burst up the rabbit export trade, just as a farmer would throw about seed. But the fact is that if we could exterminate the rabbit pest, it would not be a very terrible calamity if the rabbit export trade were killed. As has been shown by statistics to-day, for every eight rabbits that we got rid of we should be able to feed a sheep. Yet the honorable and learned member pleaded most piteously for the rabbit export trade, and for the frozen meat trade.

Mr. KELLY.—And for the hat trade, too.

Mr. HUGHES.—The honorable member has not heard what was said by honorable members upon his own side of the House.

Mr. JOSEPH COOK.—I merely heard what the honorable and learned member himself said, and what particularly struck me, was his reference to the hat factory. I trust that whatever the Minister may do, he will do quickly, so that the people of New South Wales, who have incurred a heavy expenditure in bringing Dr. Danysz to Australia, may know exactly what their fate is to be. They are entitled to know that at the earliest possible moment. If the Minister intends to prohibit the opening of the tubes containing the microbes, he should tell these people so immediately. If, on the contrary, he proposes to allow experiments to be conducted under proper supervision, I say that all necessary precautions have already been taken. The sooner he allows the pastoralists to learn what their fate is to be, the sooner they

will know what course they should take. I sincerely hope that this Parliament will not get into a panic over the matter, but that it will trust the scientific experts of Australia, who, with one voice, proclaim that the projected experiments can be undertaken with absolute safety.

Mr. HUGHES.—All of them say that nothing will exterminate the rabbits.

Mr. JOSEPH COOK.—What has that to do with the matter? They all declare that it is perfectly safe for these experiments to be conducted in a laboratory. Nothing has been proposed beyond that.

Mr. HUGHES.—Why were the preparations made at Broughton Island?

Mr. JOSEPH COOK.—I understand that the proposal was to conduct experiments in a laboratory first and foremost. According to Dr. Tidswell—

Dr. Danysz wishes it to be expressly understood that he fully recognises the necessity of affording assurances that his microbes can be used without danger to animals other than rabbits. He had not contemplated other than laboratory work until that point had been demonstrated.

Sir WILLIAM LYNE.—In his own laboratory.

Mr. JOSEPH COOK.—Whose laboratory?

Sir WILLIAM LYNE.—Dr. Tidswell's.

Mr. JOSEPH COOK.—The Minister of Lands in New South Wales, Mr. Ashton, says—

Sir WILLIAM LYNE.—Never mind what Mr. Ashton says. The question is what we intend to do.

Mr. JOSEPH COOK.—I venture to say that Mr. Ashton's opinion upon this matter is worth a great deal more than is that of the Minister of Trade and Customs. Anybody who knows Mr. Ashton will readily concede that. Here is the Minister installed in his office ready to waive aside the best opinion in Australia in favor of a movement which evidently has some political significance.

Sir WILLIAM LYNE.—We were getting on smoothly until the honorable member returned to create trouble.

Mr. JOSEPH COOK.—It is to be regretted that the Minister should treat the Minister of Lands in New South Wales in this offhand and peremptory fashion.

Sir WILLIAM LYNE.—I have done nothing of the kind.

Mr. JOSEPH COOK.—The Minister declared just now that it did not matter what Mr. Ashton said, and that the question

was what we intended to do. I say that what Mr. Ashton says matters a great deal, because he has given more hours to the study of this problem than the Minister of Trade and Customs has given seconds.

Sir WILLIAM LYNE.—The honorable member's life is devoted to trying to create trouble and dissension.

Mr. JOSEPH COOK.—All I ask the Minister to do is to tell the people of Australia his intentions in regard to this matter. If he would deign to do so instead of talking in such a high-handed fashion, it would be much better. At the present time they are in a state of doubt. If Dr. Danysz is to take his cans back to Paris unopened he should be told so at once, and the Government of New South Wales should be apprized of the Minister's decision immediately.

Mr. McLEAN (Gippsland) [3.14]. — I do not think it is desirable that I should occupy the time of the House in an attempt to emphasize the magnitude of the evil of the rabbit pest. Any person who has any knowledge of the rural conditions obtaining throughout Australia must be aware that the ravages of the rabbit constitute the most serious evil that has ever threatened our pastoral and agricultural industries. Consequently the value of any effective remedy cannot very well be over-estimated. As a layman, it would be impossible for me to express any opinion regarding the efficacy of Dr. Danysz's proposed remedy, and it would be equally impossible for me to gauge the risks that are involved in the conduct of his projected experiments. I listened carefully to the speech delivered by the Minister of Trade and Customs yesterday, and it appeared to me that, having had the advantage of expert opinion, he was fairly impressed with the magnitude of the evil, with the value of any effective remedy, and with the necessity for thoroughly safeguarding the experiments to be undertaken. That being so, it seems to me that, whilst the motion, with the amendment proposed, is fairly in accordance with my own opinion as to what should be done, I think that for this House to pass a motion on the subject would be, to some extent, to tie the hands of the Minister, and to reduce rather than to increase his responsibility. Therefore, whilst I agree that the views which have been expressed have been well worth the time occupied by the debate, I think it would be very much better if the

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motion were withdrawn, and the whole responsibility were left in the hands of the Government.

Mr. McWILLIAMS (Franklin) [3.16]. —It is not my intention to prolong the debate to any great length, but I should like to say that I think the honorable member for Gippsland has about sized up the position. Personally, I have the very greatest dread of any further plague being turned loose amongst the flocks and herds of Australia until not only its efficacy as a rabbit destroyer has been thoroughly proved, but it has also been proved up to the hilt that there is no risk that we shall be introducing a plague which may be much more injurious than the rabbit pest. The greatest caution should be exercised by those in authority to prevent the introduction of any disease which may possibly spread broadcast throughout Australia. No one questions the fact that the rabbit is a pest, but the rabbit pest is not a disease, and it might be infinitely more injurious to the flocks and herds of Australia to turn loose amongst them what is certainly a disease. We know that the result of tests carried out in the old country are not always borne out by similar tests in these new lands. Some things that are shown to be perfectly harmless in the old world have proved to be pests and plagues when introduced into Australia. I am unable to follow the contention that the whole of the rabbit industry may be destroyed if the proposed disease is introduced. We know that millions of rabbits are poisoned every year in Australia, and the rabbit plague still continues.

Mr. FOWLER. — But this is a disease which may not kill straight out.

Mr. McWILLIAMS.—I have been informed that phosphorous poison does not prove so suddenly fatal as some persons imagine, and, indeed, it is quite probable that rabbits that have taken the poisoned baits have been caught in the traps. I repeat that the greatest caution should be exercised to prevent the introduction of a possibly virulent disease. We know that cattle will eat the skins of rabbits, and some of them have a liking for the bones of dead animals. We are not sure that it will be impossible for the plague which it is proposed to introduce to be transmitted from the dead carcase of a rabbit to some living animal. If that be possible, we may be introducing to Australia a plague, the effects of which will be one hundred-fold worse than the rabbit pest. I should

like to see the motion withdrawn, because the Minister of Trade and Customs and the State Government of New South Wales appear to have got fairly into line on this question. They are practically agreed that nothing should be done in the way of disseminating an awful plague until it is proved beyond doubt that its effects will be confined to rabbits. I think, with the honorable member for Gippsland, that the matter is one that should be left in the hands of the Minister. It is one in connexion with which the Minister should accept full responsibility, and, holding that view, I shall vote against the motion if it is pressed to a division.

Mr. TUDOR (Yarra) [3.20].—I wish to ask the honorable member for Kalgoorlie whether he will accept an amendment of the amendment which he has moved. I desire to strike out the words "by the investigations of a duly appointed scientific committee approved by the Parliament." In common with other honorable members, I am anxious that we should arrive at a decision upon the motion this afternoon. I realize the importance of the question, not only to those living in the back portions of Australia, but also to those living in the towns.

Mr. McLEAN.—Would it not be better that the Government should take the responsibility rather than that Parliament should do so?

Mr. TUDOR.—I am quite prepared to accept my share of the responsibility rather than throw the whole of the responsibility upon the Government. I move—

That the amendment be amended by leaving out the words "by the investigations of a duly appointed scientific committee approved by the Parliament."

Mr. FRAZER.—I am prepared to accept that amendment.

Mr. HUGHES (West Sydney) [3.22].—The amendment proposed by the honorable member for Kalgoorlie, as proposed to be amended by the honorable member for Yarra, will suit me very well, and I have no objection to its incorporation in my motion. The end I had in view has been well served by the public declaration of the opinions of honorable members on both sides, and which, I am happy to say, have, almost in every instance, been such as I hold myself, coloured in some cases, no doubt, by the spectacles through which some honorable members have unfortunately looked at the question.

Amendment of the amendment agreed to.

Amendment, as amended, agreed to.

Question, as amended, resolved in the affirmative.

Resolved—

That this House is of the opinion that, as the introduction of the microbes proposed by Dr. Danysz for the destruction of rabbits in the State of New South Wales may prove inimical to human and other animal life of Australia, it should not be permitted except for laboratory experiments until such time as Parliament or the Government, if Parliament is not in session, is satisfied that outside experiments will be harmless.

AUDIT BILL.

Motion (by Sir JOHN FORREST) agreed to—

That leave be given to bring in a Bill for an Act to amend the Audit Act 1901.

LIFE ASSURANCE (FOREIGN COMPANIES) BILL.

Motion (by Mr. GROOM) agreed to—

That leave be given to bring in a Bill for an Act relating to foreign companies carrying on the business of life assurance in Australia.

MARINE LIGHTS AND MARKS BILL.

Motion (by Sir WILLIAM LYNE), agreed to—

That leave be given to bring in a Bill for an Act relating to lighthouses, lightships, beacons, and buoys.

KALGOORLIE TO PORT AUGUSTA RAILWAY SURVEY BILL.

Mr. SPEAKER reported the receipt of a message from His Excellency the Governor-General, recommending that an appropriation be made from the consolidated revenue for the purposes of this Bill.

Motion (by Mr. DEAKIN) proposed—

That the message be taken into consideration forthwith.

Mr. KELLY.—As a question of order, I would like to ask whether it is competent to consider such a message without delay?

Mr. SPEAKER.—It is competent for the House to consider the message forthwith if it pleases, or to determine that it should be considered at a later date.

Question resolved in the affirmative.

TEMPORARY CHAIRMAN OF COMMITTEES.

Motion (by Mr. DEAKIN) agreed to—

That the honorable member for Melbourne Ports, Mr. Mauger, do take the chair as Chairman for this day of sitting only.

KALGOORLIE TO PORT AUGUSTA RAILWAY SURVEY BILL.

In Committee:

Motion (by Mr. GROOM) proposed—

That it is expedient that an appropriation of revenue and moneys be made for the purpose of a Bill for an Act to authorize the survey of a route for a railway to connect Kalgoorlie, in the State of Western Australia, with Port Augusta, in the State of South Australia.

Mr. KENNEDY.—Has the Minister any information to give the Committee as to the amount of money that will be required?

Mr. GROOM.—The honorable member will find the amount stated in the Bill.

Question resolved in the affirmative.

Resolution reported.

Motion (by Mr. GROOM) proposed—

That the report be adopted, and that Mr. Groom and Sir John Forrest do prepare and bring in a Bill.

Mr. KELLY (Wentworth) [3,32].—I do not know why the time of the House should be wasted further on the consideration of this Bill.

Sir JOHN FORREST.—The honorable member has already voted for it.

Mr. KELLY.—The right honorable gentleman knows as well as I do that his statement is incorrect. I voted for the second reading, but not for the third reading, of the Bill, because certain conditions which I desired to see provided for were not inserted in it. I thought that Western Australia and South Australia, the two States which would be mainly benefited by the construction of the proposed line, should give us some guarantee of a return.

Mr. WATSON.—Why not wait until the Bill is brought in? Further information may be given then.

Mr. FOWLER.—Does the honorable member wish to prevent the giving of information to the House?

Mr. KELLY.—Although the matter has been before us on several occasions, no additional information has been given to us. We have been told over and over again that all that we are asked to sanction is a survey of the route; but the Treasurer, speaking in Adelaide in December last, is reported to have said—

He was quite satisfied that the proposal for the construction of the line would be received just as well as that for the survey. Otherwise it would be improper for honorable members to have voted as they had for an expenditure of £20,000, as that would then have been so much waste money.

Therefore, in the view of the Treasurer, we are being asked to sanction, not merely a

survey, but a proposal for an expenditure upon railway construction which will run into millions of pounds. When in London recently, he took credit to himself for the fact that the Parliament has declared itself against Commonwealth borrowing, but he now asks us to agree to a proposal which, if sanctioned, he contends will bind us to an expenditure of several millions of pounds, and that amount of money cannot be obtained for the purpose without borrowing.

Sir JOHN FORREST.—The honorable member's leader is in favour of the project.

Mr. KELLY.—I, like the right honorable gentleman, differ from my leader on some questions, and I think that we ought to object to this proposal at every stage. We should ask the States of Western Australia and South Australia to give us some guarantee of their *bona fides*; but if they are not prepared to do so, I think that Parliament should say that it will not further consider this matter. I hope that other honorable members will adopt a similar attitude in regard to the Bill.

Question resolved in the affirmative.

Report adopted.

Bill presented, and read a first time.

PAPERS.

MINISTERS laid upon the table the following papers:—

Report of the Royal Commission on the Tobacco Industry—proceedings, minutes of evidence, and appendices.

Report of the Royal Commission on Navigation—appendices and minutes of evidence.

Papers respecting proposed Federal Capital Sites in the Yass and Lake George districts.

Ordered to be printed.

ADJOURNMENT.

DEATH OF MR. SEDDON: FEDERAL CAPITAL SITE: DEPORTATION OF KANAKAS: MILITARY COMMANDANT IN VICTORIA: CHAIRMAN OF COMMITTEES: COMMERCE ACT REGULATIONS: IMPORTATION OF SEEDS: GRADING AND BRANDING OF BUTTER.

Mr. DEAKIN (Ballarat—Minister of External Affairs) [3,37].—In moving—

That the House do now adjourn,

I desire to read a cablegram just received by the Governor-General from the Acting-Premier of New Zealand, through the Governor of that Colony—

From His Excellency the Governor of New Zealand to His Excellency the Governor-General.

Am desired by my Government to inform you that your Excellency's message has been communicated to them and people of New Zealand. On their behalf I have to thank your lordship, people of Australia, Parliament and Ministers of the Commonwealth, for their generous and sympathetic appreciation of the work and character of our late Prime Minister. His death whilst engaged in projects for further benefit and welfare of Australasia is peculiarly sad, but it is consoling to reflect that he died as he had lived, in the service of the people who loved and trusted him. As he himself said, he would rather wear than rust out. Sorrow that has been manifested throughout Empire is tribute to his striking personality and to his Imperial ideas, which have made his name wherever the British language is spoken. Sympathy of our nearest neighbours, the people of great Australian Commonwealth, is intensely appreciated by all New Zealanders, and is only another proof of good feeling and warm regard which the people on both sides of Tasman Sea have for one another.

Mr BATCHELOR (Boothby) [3.40].—I wish to know from the Prime Minister whether he will move, this session, a motion similar to that moved by him last session, fixing a day when the House will take into consideration the method of electing a Chairman of Committees, so that there may be no possibility of a difficulty arising such as was suggested by you, Mr. Speaker, yesterday, when notices of motion were given on the subject. Possibly Wednesday next would be the most suitable day to fix, because there are generally more members present on a Wednesday than on any other day of the week, and it is desirable that there should be a full attendance. I wish also to draw the attention of the Minister of Trade and Customs to the matter raised by the honorable and learned member for Werriwa this morning. The Minister states that the Comptroller-General of Customs has said that there is nothing in the complaint of the Curator of the Adelaide Botanical Gardens about the regulations under the Commerce Act governing the importation of seeds, but, as the Curator has had a very long experience, and perhaps a wider one than that possessed by any other person in Australia, of the conditions governing the importation of seeds, and, as a Government official, would not be desirous of raising a scare unnecessarily, I am prepared to think that there is something in what he says, and to take his view of the case rather than that of the Comptroller-General of Customs. It is well known that often many varieties of seeds are imported in one parcel, some of the seeds being done up in packages weighing perhaps only a few grains. To require

every such package to bear a label vouching for the purity of the seeds, and accurately stating where and when they were grown, under penalty of absolute prohibition for a wrong statement, may undoubtedly mean, as the Curator has pointed out, that the importation of seeds will eventually fall entirely into the hands of a combine of seedsmen, and the amateur and small seedsmen will be prevented from importing direct. It is, of course, important that seeds should be true to name, fertile, and, as far as possible, accurately described. But it is one thing to impose a penalty for a false description, and another thing to prohibit importation because almost impossible conditions have not been complied with. I hope that the Minister will look into this matter very closely, and not be satisfied with the statement of the Comptroller-General of Customs that there is nothing in the complaint. It seems to me that there is a great deal in it. It is exceedingly difficult, in the case of some seeds, to ascertain where and when they were produced, and in many cases the information is not needed by anybody. We do not desire unnecessary restrictions upon importation. No gardener, however reputable the seed merchant abroad with whom he deals, would think of commencing any large operations with imported seeds until they had been tested locally. It would be a great mistake to take action that would almost certainly lead to its getting into a few hands. We should encourage the importation of seed from all parts of the world, rather than discourage it by imposing unnecessary restrictions. It is one thing to impose a strict penalty for false description, and another thing to prohibit importations, unless certain alleged impossible conditions are complied with.

Mr. WATSON (Bland) [3.46].—I should like to know whether the Prime Minister will consider the advisability of affording honorable members facilities to make an inspection of the new sites for the Federal Capital that have been suggested by the New South Wales Government? It seems to me that, in the event of any reconsideration of the question, the possible area of selection will be narrowed down in a considerable degree. The New South Wales Government have had surveys made with a view to determining certain water supply possibilities, and have obtained general information with regard to the

area available in the Yass-Lake George district. In view of the trouble which they have taken to afford information to members of this Parliament, and assist them to arrive at a decision, it would be as well to offer honorable members every opportunity for inspection. I would remind the House that some honorable members have not had an opportunity to inspect any of the sites.

Mr. BAMFORD.—We have already passed an Act dealing with the matter.

Mr. WATSON.—The honorable member is perfectly aware of my attitude in that connexion, and I have not altered the opinion I then held.

Mr. PAGE.—But have we not already settled where the Capital is to be?

Mr. WATSON.—There is a considerable body of feeling in favour of making some effort to select a site that will more generally suit all parties, and I think that this is a very proper attitude to assume in a matter of such great importance. In any case, it would be reasonable to afford such honorable members as can get away an opportunity to inspect the area to which any possible alteration seems to be confined.

Mr. MAHON (Coolgardie) [3.49].—Yesterday, I questioned the Prime Minister with regard to a speech reported to have been made by the Premier of Queensland to the effect that the Federal Government would be compelled to bear the expense of deporting the kanakas imported by Queensland for the special advantage of that State in connexion with the sugar-growing industry. The Minister was good enough to say that he could not give an answer until he had had some further communication with the High Commissioner for the Pacific, and the British Resident in the New Hebrides. The time is approaching for the deportation of the kanakas now in Queensland, and I would suggest that the correspondence which has passed up to the present time should be laid before the House, so that we may know exactly how the matter stands. I do not think that the people of Australia will view with any degree of favour the prospect of the Commonwealth Government defraying any portion of the expense of maintaining the kanakas whilst they are awaiting deportation, or any proportion of the cost of repatriating them. I understand that the Queensland Government had

a fund for this purpose, but that the money has been spent by them in other directions.

Mr. McDONALD.—The money has not been spent; but owing to the cessation of recruiting, the deportation costs £2 per head more than was originally provided.

Mr. MAHON.—I was given to understand that it had. At any rate, the Premier of Queensland has stated that he will not maintain the islanders whilst they are awaiting deportation, and that the Federal Government will have to bear that cost and the expense of deportation.

Mr. DAVID THOMSON.—So they ought.

Mr. MAHON.—I do not think so, and I shall resist to the utmost of my power any proposal of that kind.

Mr. PAGE.—And I shall help the honorable member.

Mr. MAHON.—I think that the States which derive no benefit from the sugar bonus, but which on the other hand contribute very heavily towards it, have done enough for Queensland without being robbed and exploited in the manner suggested. The Prime Minister has stated that he is also waiting for the report of the Sugar Commission in Queensland. I do not know how that report will bear on the question, but I do not think that we should make our decision in this matter dependant upon the report of a State Commission.

Mr. WILKS (Dalley) [3.52].—I indorse the remarks of the honorable member for Bland, and I trust that we are now approaching a final settlement of the Capital Site question. A few days ago the honorable member for Parramatta asked the Prime Minister to place upon the table the correspondence which had passed between the Premier of New South Wales and himself. We have been awaiting the production of that correspondence in order that we might deal with it. The new site proposed will, I believe, prove to be a better one than that already selected, but I trust that if the matter is re-opened we shall not have another round of picnics with a view to enabling members to make a fresh inspection of the country. I hope that the proposed inspection will be final, and that before the session ends we shall settle the question by the selection of a site that will be acceptable alike to New South Wales and to the Commonwealth.

Sir WILLIAM LYNE.—Then it must be either at Tumut or on the Upper Murray.

Mr. FRAZER (Kalgoorlie) [3.54].—I hope that the suggestion of the honorable

member for Bland will not be entertained, because both Houses of this Parliament have already definitely decided where the Federal Capital shall be.

HONORABLE MEMBERS.—No, no.

Mr. FRAZER.—In my opinion it would be undignified for this Parliament to entertain the idea of permitting honorable members to go running around New South Wales to look for another site. The wishes of the "win, tie, or wrangle" party in this House should not be acceded to.

Mr. KELLY. — What about the transcontinental railway?

Mr. FRAZER.—If the transcontinental railway cannot stand on its merits, the proposal for its construction should be thrown out of the House. We do not want information to be offered to us for all time, and after having arrived at a selection we should not allow New South Wales to place us in a false position. According to my interpretation of the Constitution, we have a perfect right to decide where the Federal Capital shall be, and we should not permit the people of New South Wales, through their Parliament, to dictate to us in the matter.

Mr. WILKS.—Would not the honorable member allow them to have some say?

Mr. FRAZER.—I would allow them to have the say to which they are entitled under the Constitution, and no more. I would not allow them to dictate to this Parliament as to the particular quarter of New South Wales in which the Federal Capital should be placed. I object to the suggestion of the honorable member for Bland, because the Federal Capital Site question has been already settled, and should not be re-opened.

Mr. FULLER (Illawarra) [3.57]. — I fully indorse the remarks of the honorable member for Bland.

Sir WILLIAM LYNE.—Would not the honorable member include Tumut and the Upper Murray among the sites to be inspected?

Mr. FULLER.—I should like to do the Minister a good turn, but unfortunately his action has afforded some justification for the remarks of the honorable member for Kalgoorlie with regard to the "win, tie, or wrangle" party. He, in conjunction with the Postmaster-General, certainly qualified himself for that designation. I hope that every opportunity will be afforded to honorable members to inspect that portion of New South Wales territory which has re-

cently been set aside by the New South Wales Government, and reported on at considerable expense. The matter to which I wish specially to direct attention is one which relates to the Department of the Minister of Trade and Customs. When the Commerce Act was before us, certain statements were made by the Minister, which led the butter producers of the Commonwealth to believe that their industry would not be interfered with. During the recess a Minister convened a conference in New South Wales, to which representatives of the butter industry in all the States were invited. The result of that conference was anything but satisfactory.

Sir WILLIAM LYNE.—On the contrary, it was absolutely satisfactory, and I am now acting upon its report.

Mr. FULLER.—I contend that it was unsatisfactory. Yesterday the Minister received a large and influential deputation, which was introduced by the honorable member for Moira, and, as far as one can judge from the reports published in the newspapers, the Minister is now inclined to retreat from his former position.

Sir WILLIAM LYNE.—No, I am not.

Mr. FULLER.—All that I desire is that the Minister should make a definite statement as to his intentions. The official in New South Wales whom he left to occupy the chair at the conference in Sydney when he hurried away to the Hume electorate, in consequence of a little speech made by the leader of the Opposition—

Sir WILLIAM LYNE.—That is not fair, because that had nothing to do with my movements.

Mr. FULLER.—The official referred to made a definite statement, but now the Minister appears inclined to recede from the position laid down by his officer. I want to know definitely what are the intentions of the Minister. Does he intend to insist upon compulsory grading and branding in connexion with all butter exported from Australia, or has he receded from that position? He said yesterday that he had not made up his mind.

Sir WILLIAM LYNE.—That was on one particular point only, not on the question of grading.

Mr. FULLER.—I should like to have definite information on the point regarding which the Minister had not made up his mind.

Sir WILLIAM LYNE.—The honorable member will get it when I issue the regulations.

Mr. FULLER.—It may be necessary to take some action before the regulations are issued.

Sir WILLIAM LYNE.—Do not make any threats.

Mr. FULLER.—I am not making any threat; but regarding the contradictory statements which have been made as to this matter, I should like to have from the Minister now a definite statement as to whether he proposes to insist on compulsory grading in relation to the export of our butter, or whether he does not.

Sir WILLIAM LYNE.—Yes. The honorable member has a definite answer now.

Mr. PAGE (Maranoa) [4.1].—I wish the representatives of New South Wales would make up their minds as to how many Capital Sites they want inspected, where they are situated, and which one they favour most. When they have decided amongst themselves the rest of us would like to go and inspect the favoured place.

Mr. KELLY.—Will the honorable member take the verdict of the majority of the New South Wales members?

Mr. PAGE.—It is very ingenious of the honorable member for Wentworth to make that suggestion. If the New South Wales members had their way they would "boss the show" altogether. We are here as a kind of break to that, especially when they try to arrange amongst themselves as to what shall be done by the Commonwealth. I also wish to direct the attention of the Minister representing the Minister of Defence to a statement made some time ago by the Military Commandant of Victoria. During last session the Premier of Victoria gave a "tea fight" or a "bun struggle" down the Bay. The Military Commandant for this State was invited to attend. Whether he had too much champagne, or whether he was suffering from real pain, I do not know, but he made a remarkable statement on that occasion, to which attention was directed at the time. He said that he was a State officer first and a Commonwealth officer afterwards. The Minister at the time promised that an investigation would be made into the Commandant's utterance. I should like to know whether an inquiry has been held, and, if so, whether the Minister will lay a report concerning it upon the table. I may as well say now that I intend, for my own part, when the Estimates are under consideration, to try to compel this gentleman to go to the State Government for his

salary, in order that he may learn whose servant he is. If we do not get loyalty from officers in high places, I fail to see how we can expect it from the men in the ranks.

Mr. WEBSTER (Gwydir) [4.3].—I wish to say a word or two as to the request made to the Minister of Home Affairs in reference to the Capital Site question. I think that the request was a wise and reasonable one, especially in view of the statement laid before Parliament prior to the conclusion of last session, indicating the whole of the facts of the case with regard to the compact arrived at by the Premiers' Conference. That information and that compact changed the whole position, and induced many honorable members to reconsider the decision arrived at with reference to the site. I recognise in the compact arrived at by the Premiers' Conference, an understanding that is sacred as far as I am concerned, as a representative of the people. It was arrived at by gentlemen holding high positions, and should be binding on every man in this House. Feeling that that is the position, I think that the honorable member for Bland has put in his request at an opportune time. In accordance with the compact to which I refer, the choice of the Capital Site is, in my opinion, limited to an area within 200 miles, and outside 100 miles, of Sydney. Now that the selection is limited to that radius, we should at least endeavour to inspect any site that has not hitherto been suggested or inspected in order that we may arrive at the very best possible decision. This is not a question of changing one's opinion. It is a case of giving an opinion upon new premises, upon new information—information that, I say fearlessly, was not in the possession of honorable members until the close of last session. The question is one about which, I suppose, we have heard more from the members of the Opposition, and the press that supports them, than we have heard of any other matter that has been prominent in politics in recent years. Now we are anxious to come to a decision that will be creditable alike to this House and to Australia. We ought to come to that decision with the greatest possible expedition. But we find that some honorable members are not, apparently, anxious to arrive at a decision at all. I hope that the Prime Minister and his colleagues will see the wisdom

of enabling us to inspect the fresh site which has been suggested as an alternative to sites that are now found to be not available to us, so that we may be able to select the best position within the radius mentioned in the compact. If that be done, I feel confident that we shall be able to arrive at a successful conclusion before the session closes.

Mr. HUGHES (West Sydney) [4.8].—I welcome the suggestion of my honorable friend and leader, the member for Bland, and disagree altogether with those honorable members who represent other States than New South Wales. I have not to alter my opinion with regard to this question in any respect. I voted for Lyndhurst from the first. I think that Dalgety is an unsuitable place for the Capital. I read in the press the other day that an unfortunate man had been frozen to death in the neighbourhood. I do not wish for my honorable friends in this Parliament any such fate as that. I do not think that Dalgety is a suitable place in any way. The climate is bad. The New South Wales Parliament represents the New South Wales people, and one of the reasons why New South Wales accepted the Federal Constitution was that it provided that the Capital should be within a reasonable distance of Sydney.

Mr. KELLY (Wentworth) [4.11].—I should not have risen but for the remarks of the honorable member for Gwydir, which have placed honorable members upon this side of the House in a very false position, and that without any warrant. He said that, although we had all along been advocating a just settlement of the claims of New South Wales in regard to the Capital Site, now that the opportunity presented itself of arriving at some such arrangement, we were hanging back. I wish to say that the Opposition representatives of New South Wales to a man are anxious to see this matter settled in the way it is proposed, and we are very glad indeed to find that, even at this late hour, the honorable member for Gwydir has discovered evidence, of which every one has been cognisant for years past, which has enabled him to change his views upon it.

Mr. BAMFORD (Herbert) [4.12].—I had hoped that the matter of the Federal Capital had been settled finally, so far as this Parliament was concerned. In regard to the suggestion of the honorable member for Bland, that honorable members might be afforded an opportunity to inspect cer-

tain sites, I understand that the site which finds most favour in New South Wales is known as Macalooma. In the vicinity of that site, I understand, it is proposed to construct a dam at a place known as Barren Jack. Illustrations have recently appeared in various New South Wales newspapers, showing the appearance which the site will present when the dam is completed. I do hope that the Prime Minister will not listen to any proposal that we should visit that site until the dam in question has been constructed, so that we may be able to see the place under the conditions which will exist after the water supply has been provided.

Mr. STORRER (Bass) [4.13].—I am rather surprised that any honorable member should desire to go back upon an arrangement which was carried by a majority of this House, without bringing forward his proposal in a constitutional way. The only way in which the decision of this Parliament in regard to the selection of the Federal Capital site can be nullified is by repealing the Seat of Government Act. The honorable member for Gwydir has said that years ago a compact was entered into that the Federal Capital should be not less than 100 miles from Sydney, and not more than 200 miles. I am aware that there was a compact that the Seat of Government should not be less than 100 miles from the New South Wales capital.

Mr. WEBSTER.—I base my statement that it must be not more than 200 miles distant from Sydney upon the representations of the leader of the Opposition.

Mr. STORRER.—This Parliament has already chosen a site for the Seat of Government, and it is the duty of the minority upon any question to give way. Had I been included in the minority when Dalgety was selected, I should never afterwards have raised my voice in opposition to it. But I voted with the majority on that occasion, and I still regard Dalgety as the most eligible site. In my opinion, we shall never reach finality if we are continually backing and filling in the way that is suggested. I do trust that the Ministry will not provide money to enable honorable members to engage in any more picnics, under the pretence of visiting fresh sites. Let us adhere to the selection which we have made. If it is not acceptable to New South Wales, let us continue to sit here until its Parliament chooses to come round to our way of thinking.

Mr. DEAKIN (Ballarat—Minister of External Affairs) [4.15].—In reply to the remarks of the honorable member for Boothby, I shall have pleasure in giving notice on Tuesday next of a motion similar to that which I submitted last year for the selection of a Chairman of Committees. I shall give notice on Tuesday, and move the motion on Wednesday, if that meets the convenience of honorable members.

Mr. JOSEPH COOK.—What is the motion?

Mr. DEAKIN.—It reads—

1. That the House do now proceed to the election of a Chairman of Committees.

2. That in the event of more than two members being proposed for the position, the election shall be by open exhaustive ballot, and that so much of the standing orders be suspended as would prevent the House adopting such course.

The honorable member for Coolgardie has called attention to certain correspondence relating to the deportation of kanakas, so far as it has proceeded, with the Government of Queensland. That correspondence is in rather an imperfect state at present, but I have no objection to laying it upon the table. I have been anticipating the arrival of a letter from the Premier of Queensland in reply to inquiries which I have made, and am now making, and this will close that part of the correspondence. The investigations by the Commission, which is sitting in Queensland, are of interest to us, because they are directed, *inter alia*, to a determination of the number of kanakas who have a claim—whether legal or otherwise—to remain in the country. When that information is forthcoming we shall, by deduction, be enabled to determine the number of kanakas who will require to be repatriated after this year, and that will assist us in arriving at an estimate of the cost of deporting them. We also desire to ascertain the amount of the fund which exists in Queensland for that purpose. When we learn that, and not till then, we shall be able to consider the responsibilities of the Queensland Government.

Mr. MAHON.—Why should the cost of the repatriation of the kanakas concern us, seeing that we are not called upon to pay it?

Mr. DEAKIN.—It concerns us to this extent—that it is conceivable that if the control of the kanakas had rested entirely with the Parliament of Queensland it might have fixed a slightly longer period for their deportation. It might have extended the operation of the law for six or twelve

months. But our Act fixes a definite date for their deportation.

Mr. WATSON.—In Queensland there is no law for compulsory deportation.

Mr. DEAKIN.—No; but the State law provides for regular deportations. The present period is fixed by us, and to that extent we have a related responsibility with the Government of Queensland. It is impossible for us to say whether that amounts to a responsibility of a financial character until we know the facts, which are not yet in our possession. The honorable member for Maranoa has referred to some statements which were made by the Commandant of the Military Forces in Victoria. These have escaped my memory, but I will call the attention of the Minister of Defence to the remarks of the honorable member. The honorable member for Bland has suggested that opportunities might be afforded members of this Parliament to visit some of the new sites suggested for the Seat of Government, the reports upon which were laid before the House this afternoon. The plans of those sites have yet to follow. I merely wish to point out that this Parliament has already made its choice of a particular site. That circumstance, of course, does not preclude us from rescinding our decision, and so arriving at another. If any fresh site were chosen, the Seat of Government Act would require to be repealed. But an invitation is implied in the communication from the Premier of New South Wales, in forwarding these reports and plans. It might be viewed as pointing to an invitation to honorable members to visit the sites. Its acceptance would rest with them, and certainly it would not be the duty of the Government, or of honorable members who are still satisfied with Dalgety, to throw obstacles in the way of the acquirement of further information by any who choose to visit new sites. I hope that when we do reach the final consideration of this matter we shall be able to say that we have extended every courtesy and consideration to the wishes of the Government and representatives of New South Wales. We can lose nothing by that. No honorable member is obliged to alter his opinion, and if such an invitation arrives, I hope the House will view it favourably. The honorable member for Herbert suggested that the invitation should not be accepted as regards one of the sites until the great reservoir lake is constructed; but I am afraid that will be long after the House has finally

decided upon the site of the Federal Capital, and probably entered into possession of it.

Mr. MAHON.—What about the seed regulations?

Mr. DEAKIN.—I understand that the interpretation put upon the regulations by Mr. Holtze is different from that adopted by the Comptroller of Customs. While Mr. Holtze may be one of the best authorities in Australia in regard to seeds, I prefer to rely on the Comptroller-General of Customs, who has not only had a very long experience of his Department, but has legal training and sound judgment to assist him in the interpretation of the actual meaning of these regulations. I see no reason to question Dr. Wollaston's opinion.

Question resolved in the affirmative.

House adjourned at 4.23 p.m.

House of Representatives.

Tuesday, 19 June, 1906.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

RECOGNITION OF LITERARY WORK.

Mr. HIGGINS.—I wish to ask the Prime Minister, without notice, if he can see his way to putting on the Estimates, and recommending to the House, a grant in aid of the family of the late Victor Daley, who has added so much to the intellectual treasures of Australia. I do not ask the honorable and learned gentleman to give me a definite answer now, but I shall be glad if he will look into the matter.

Mr. DEAKIN.—The recognition by this Government of the claims of literary men, or their families, in the manner in which the Imperial Government recognises such claims in Great Britain, is worthy of consideration. Australia has produced few geniuses, and as the lives of those who are so gifted are seldom richly rewarded in a pecuniary sense, they have a claim on the conscience of the community. I shall be glad to consider the matter.

Mr. WILKS.—Will the honorable and learned gentleman do the same for the family of the late John Farrell?

Mr. DEAKIN.—The provision of which I speak would not be confined to any par-

ticular case, but would be open to all deserving and necessitous Australian literary men. I am glad to have been personally associated, from the beginning, with the movement for the recognition of Daley's work.

BRISBANE TELEPHONE SERVICE.

Mr. R. EDWARDS.—For some years past girls have been in attendance at the switch-boards at the Brisbane telephone exchange, and have given the utmost satisfaction to the subscribers; but, during the past few months, the services of some of them have been dispensed with, and boys and youths have been taken on in their places. I wish to know, therefore, from the Minister representing the Postmaster-General, whether it is intended to dispense entirely with girls in the Brisbane telephone exchange, seeing that girls only are employed on the Melbourne staff.

Mr. EWING.—I shall endeavour to give the honorable member an answer to-morrow.

IMMIGRATION.

Mr. FRAZER.—In view of the considerable misunderstandings as to the Commonwealth law among many of the passengers on the vessels coming from England to Australia, will the Government supply to the directors of the steam-ship companies notices explaining the inducements held out to intending settlers here, and refuting the slanders concerning our immigration laws which have been circulated by the defamers of the Commonwealth?

Mr. DEAKIN.—The suggestion that a brief epitome of the Commonwealth law and practice on this subject should be available on the mail steamers is a good one, and I shall be happy to see if effect can be given to it.

STATE DEBTS.

Mr. BROWN.—Has the Prime Minister been furnished with a copy of the memorandum in reference to the federalization of the debts of the States sent by the Agent-General of New South Wales to the State Premier, and, if so, will he make it available to honorable members?

Mr. DEAKIN.—A copy of the memorandum is in our possession, and is being examined to determine whether it is complete. If it is so, I will lay it before Parliament.

NEW ZEALAND RECIPROCITY.

Mr. CULPIN.—Has the Prime Minister yet received from Messrs. Webster and Co., of Brisbane, a communication asking that if Australian brandy be admitted into New Zealand under a reciprocal arrangement on payment of a duty of 11s. per gallon, which is equal to the excise rate, instead of the present rate of 16s., a similar arrangement will be made in regard to Queensland rum. When reciprocity is arranged for, will he see that this is done?

Mr. DEAKIN.—So far as I can remember, no such letter has yet reached me. The reciprocal treaty between the Commonwealth and New Zealand has been settled, and cannot be re-opened by us.

Mr. PAGE.—Do I understand that the reciprocal treaty with New Zealand has been completed, and that South Australian spirit is to be given an advantage over other Australian spirit?

Mr. DEAKIN.—This Government entered into an agreement with the late Prime Minister of New Zealand which cannot be re-opened without the consent of the Government of that Colony; but no distinction is, or could be, made between the treatment given to South Australia and that given to other Australian spirit. Every arrangement made by the Government extends to the whole Commonwealth.

WESTERN AUSTRALIAN
TELEGRAPH DEPARTMENT.

Mr. CARPENTER.—Will the Minister representing the Postmaster-General lay on the table of the Library the papers relating to the recent removal of Messrs. Snook and Stephens, of the Telegraph Department of Western Australia, and the report furnished by Mr. Young last year on the administration of the Department?

Mr. EWING.—I think that the papers are before the Public Service Commissioner, but I shall obtain them as soon as possible, and have them laid on the Library table.

GENERAL ELECTIONS.

Mr. JOSEPH COOK.—Last week the Minister for Home Affairs read a statement from the Electoral Office to the effect that the general elections cannot take place as early as October. Has an estimate been made as to the earliest date at which they can take place?

Mr. GROOM.—Information has not yet been obtained which enables me to give the

exact date on which the general elections can be held. I was asked last week if they could be held in October, but the information in the possession of the Department shows that to be impracticable.

Mr. McLEAN.—The Minister last week merely gave us the opinion of an official on this very important matter. Will he look into it, and satisfy himself as to the possibility or otherwise of holding the elections before the harvesting season?

Mr. THOMAS.—What about the shearers? Have they not the right to vote?

Mr. McLEAN.—Yes. But the wool will not fall off the backs of the sheep if there is half-a-day's delay in shearing them, whereas the grain will fall out of the ears.

Mr. GROOM.—Harvesting takes place at different times in the different States, and we must therefore look at this matter from the Australian point of view. I thought it advisable to give, last week, the opinion of the expert whom Parliament has appointed to deal with electoral matters; but I have looked into the matter myself, and, upon the information supplied to me, think that it will not be possible to hold the general elections as early as October.

Mr. McLEAN.—Will the honorable gentleman give us his reasons?

Mr. GROOM.—I could do so if it were considered desirable; but I do not think that I should give a long explanation at this stage, as we are making further inquiries. I shall, however, be ready to answer any question on the subject.

Mr. JOSEPH COOK.—Will the Minister endeavour to obtain, for the benefit of the House and the country, an opinion as to the earliest period at which the elections can be held?

Mr. GROOM.—That step is being taken, and the Prime Minister has announced that the information will be made public as soon as it is available.

Mr. HUGHES.—Has the Minister considered whether there are not certain constitutional reasons which make it impossible to hold the elections of both the Senate and the House of Representatives in October next? If he has not already done so, will he refer the matter to the Attorney-General?

Mr. GROOM.—It is desirable, in order to save expense, to fix a date which will enable the elections of both Houses to be held on the same day. The answer I gave the other day was a reply to a ques-

tion asking if the elections could, from a practical point of view, be held in October next.

Mr. JOSEPH COOK.—I do not think that the Minister has answered the question of the honorable and learned member for West Sydney, which was whether the constitutional position has been considered, with a view to determining whether there are constitutional difficulties in the way of holding the general elections before December next.

Mr. GROOM.—I shall take into consideration every aspect of the question before furnishing the information which I have promised.

PAPERS.

MINISTERS laid upon the table the following papers:—

Report from the Royal Commission on Old-Age Pensions; with proceedings, minutes of evidence, appendices, and a synopsis of the evidence.

Recommendations, &c., and approval of the promotion and appointment of P. J. De Gruchy as telegraph manager at Perth, Western Australia.

The CLERK laid upon the table:—

Return to an order of the House, dated 14th September, 1905, relating to "contract" post and telegraph offices.

INSOLVENT MILITARY OFFICERS.

Mr. MALONEY asked the Minister representing the Minister of Defence, *upon notice*—

1. How many commissioned officers of the Permanent Forces went insolvent during the year 1905 (without giving names) in Victoria?
2. Have these officers reported such insolvency to the Military Board under section 113, Part 3, of the Military Regulations?
3. Has any and what punishment been inflicted on them?

Mr. EWING.—The answers to the honorable member's questions are as follow:—

1. One.
2. Yes.
3. The case referred to has been before the Military Board, and final consideration postponed pending receipt of a further report which the Commandant has been requested to furnish.

SWORN EVIDENCE IN COMMONWEALTH COURTS.

Mr. MALONEY asked the Attorney-General, *upon notice*—

In view of the result obtained by avoiding sworn evidence in the Major Hawker Inquiry, does the Ministry of the Commonwealth intend

to abolish sworn evidence in the courts of the Commonwealth?

Mr. ISAACS.—The answer to the honorable member's question is as follows:—

The Government has no such intention. Evidence in the inquiry referred to would have been taken on oath if there had been legal power to administer it.

MAJOR HAWKER INQUIRY.

Mr. MALONEY asked the Minister representing the Minister of Defence, *upon notice*—

1. Whether, in the Hawker Inquiry Board, the majority of the Board and Senator Styles found that Major Hawker borrowed coal supplied for the use of the men by the Commonwealth Government?
2. Whether the majority of the Board found that Major Hawker used the coal and diverted it from the use of the men?
3. Whether Senator Styles found that Major Hawker had not returned many bags of coal and still owes the Government for the same?
4. Does the Government distinguish between borrowing Government property, and not returning it, and ordinary theft?
5. Is any distinction to be made between an officer and a gentleman and the ordinary public?
6. Does the Minister consider the loss of one increment of £20 a sufficient punishment for theft?

Mr. EWING.—The answers to the honorable member's questions are as follow:—

- 1 and 2. Yes.
3. Yes, but the majority report stated there was no conclusive evidence that the coal had not been returned.
4. There is no conclusive proof that the coal borrowed was not returned.
5. No.
6. There was no proof of theft, otherwise a criminal prosecution would have been ordered.

Mr. FAGE asked the Minister representing the Minister of Defence, *upon notice*—

1. Whether in the Hawker Inquiry Board Major Hawker denied that he had sent an order or paid for half-ton of coal in December from a local coal merchant named Priddle?
2. Whether after the Minister had decided on his case, Major Hawker sent written orders to the Queenscliff Quartermaster Sergeant to send such coal from the Barracks to his private house?
3. Whether such half-ton was taken out of the public coal bin and sent by carter to Major Hawker's private house?
4. What action does the Minister propose to take?
5. Whether there is not now a large surplus of coal in the Barracks bins, and whether this does not arise from non-use of Government coal by the officers?

Mr. EWING.—The answers to the honorable member's questions are as follow :—

1. Yes.
- 2 and 3. The Commandant states that Mr. Priddle demanded payment from Major Hawker for six bags of coal delivered at the Barracks in error during December last. Major Hawker paid the account, and issued instructions for the six bags to be sent to his quarters from the Barracks, which was done on the 26th ultimo.
4. The matter is being inquired into.
5. No. The District Commandant reports that if there is a surplus of coal at the end of the month it will arise from the fact that the authorized number of fires has not been availed of owing to the mildness of the weather.

DEFENCE FORCES: JUNIOR CADETS.

Sir LANGDON BONYTHON asked the Minister, representing the Minister of Defence, *upon notice*—

1. What is the full number of junior cadets of all branches to which South Australia is entitled under the present regulations?
2. Is it intended, by amended regulations, to increase the number of junior cadets in the Commonwealth?

Mr. EWING.—The answers to the honorable member's questions are as follow :—

1. 1871.
2. After the numbers provided for in the present scheme have been reached, further consideration will be given to the question of increasing the number of junior cadets. The Government being in full sympathy with the scheme will stimulate it in every way.

SENIOR CADET CORPS, QUEENSLAND.

Mr. WILKINSON asked the Minister representing the Minister of Defence, *upon notice*—

Whether it is intended to increase the number of Senior Cadet Corps apportioned to the State of Queensland, so as to make it possible for a large number of youths, resident in populous centres which are excluded under present arrangements, becoming members, and so qualifying themselves for future military service?

Mr. EWING.—The answer to the honorable member's question is as follows :—

After the establishment of senior cadets provided for in the present scheme has been allotted, the question of increasing the numbers will at once receive full consideration. The Government will do all that is possible to further the end in view.

PUBLIC SERVICE INCREMENTS.

Mr. JOHNSON asked the Minister of Home Affairs, *upon notice*—

1. Is it a fact that out of the amount of £1,000 set apart in the Appropriation Act 1905-6 for increments to officers of the Clerical Division, Postmaster-General's Department, New

South Wales, in receipt of £160 per annum and upwards, not one officer in receipt of less than £185 per annum participated?

2. Is it not a fact that there are a considerable number of officers in receipt of salaries of £160 and less than £185?

3. Were not some of the officers referred to in question No. 2 recommended to the Public Service Commissioner for promotion to £185?

4. As it appears to have been the wish of Parliament that officers in receipt of £160 and under £185 per annum should participate, in common with their more highly paid colleagues, will the Minister take steps to authorize payment of the increases recommended from the Treasurer's Advance Account—it being understood that the amount of £1,000 has been exhausted—in order that those officers recommended will not lose twelve months seniority and salary?

Mr. GROOM.—The answers furnished by the Public Service Commissioner are as follow :—

1. Yes. The amount referred to was, however, specially appropriated for officers in the fourth and higher classes, the minimum salary of which is £185 per annum. Officers receiving less than that salary were provided for under separate appropriation.

2. Yes, but these are fifth-class officers, who are already overpaid by receiving a salary above £160, and who are, therefore, ineligible for further increase until promoted to the fourth class.

3. No.

4. Answered by numbers 1 and 2.

Mr. WEBSTER asked the Acting Postmaster-General, *upon notice*—

1. Whether he is aware that the increments due to sorters, which were gazetted on the 19th April, 1906, are still unpaid? If so—

2. What is the cause of such delay?

3. Will he see that the increments are paid, and that such delay be avoided in future?

Mr. EWING.—The answers to the honorable member's questions are as follow :—

1. Yes.

2. Not known to this Department.

3. Yes, so soon as the requisite authority is received from the Public Service Commissioner.

Mr. CHANTER (for Mr. HIGGINS) asked the Minister of Home Affairs, *upon notice*—

1. Has he considered the reply of the Commissioner for the Public Service to the question asked of the Acting Postmaster-General with regard to the increments payable to telegraphists that now receive £120 per annum?

2. Has the Government come to the conclusion that the Commissioner has power to impose a special examination on these telegraphists?

Mr. GROOM.—The answers to the honorable and learned member's questions are as follow :—

1. Yes.

2. I am advised that the Commissioner has the power to impose a practical test of efficiency before granting an increment.

" CERES " POWDER.

Mr. PHILLIPS asked the Prime Minister, *upon notice*—

Whether his attention has been drawn to a paragraph in the *Age* of the 14th inst., wherein it is stated that a powder known as "Ceres Powder" has been successfully used by the Danish Department of Agriculture as a preventive for smut disease in cereals, and also for increasing the yield. Will he bring this matter under the notice of the several State Departments of Agriculture with the view of a supply being obtained for experimental purposes?

Mr. DEAKIN.—The answer to the honorable member's question is as follows:—

A sample of Ceres powder analyzed by the Department of Agriculture, Victoria, gave the following result:—

Sulphide of potash	...	69.50 per cent.
Sulphide of soda	...	29.61 per cent.
Sulphate of soda	...	.89 per cent.
		100 per cent.

Experiments have been carried out by the Department with sulphide of potash as a preventive for smut. It is not so good as sulphate of copper for this purpose. Many experiments have been tried with potash salts to test their effect on the yield of wheat. In most cases they have had no beneficial result sufficient to cover their cost to the farmer.

ENGLISH MAIL CONTRACT: SHIPS' LETTER BOXES.

Mr. CULPIN asked the Acting Postmaster-General, *upon notice*—

In view of the fact that the Orient Steamship Company is under contract to carry the mails of the Commonwealth to London, how is it that the steamships of the said company when at sea, and when travelling between Australian ports, accept letters for transmission in the ships' letter-boxes, such letters being stamped with British and not Australian postage stamps?

Mr. EWING.—The answer to the honorable member's question is as follows:—

In the Universal Postal Union Principal Convention (Washington revision) it is provided that correspondence posted on the high seas in the letter box on board a packet, or placed in the hands of the commanders of ships, may be prepaid by means of the postage stamps, and according to the tariff, of the country to which the said packet belongs, or by which it is maintained, but if the posting on board takes place during the stay at one of the two extreme points of the voyage, or at any intermediate port of call, prepayment can only be effected by means of the postage stamps, and according to the tariff, of the country in the waters of which the packet happens to be.

In April last the general manager of the Orient Company was informed, in reply to a question as to whether letters posted on board the company's mail steamers between Fremantle

and Adelaide should bear Commonwealth postage stamps, that postal articles posted on board those vessels whilst on the high seas, or when in any port of the Commonwealth, or between two ports of the Commonwealth, should, in accordance with the above-mentioned provision, be prepaid by means of Commonwealth postage stamps.

TELEGRAPHISTS' EXAMINATIONS.

Mr. MALONEY asked the Acting Postmaster-General, *upon notice*—

1. Is he aware that telegraphists in the Fifth class, on reaching £120 per annum, are subjected to an examination before obtaining any increase of salary, while those telegraphists who are just entering the service are exempted from this examination?

2. Why are the lower grade telegraphists, on reaching £120 per annum, subjected to this set examination while other telegraphists are promoted on the report of an Advisory Board, which bases its recommendations on the work actually done by the officers concerned?

3. Is he aware—

(a) that in the set examination last year telegraphists were tested by means of an automatic machine, an instrument that is not in use in Victorian telegraph offices;

(b) that 77 telegraphists failed to pass this examination, and that many of these attribute their failure to the fact that they were tested otherwise than under ordinary working conditions;

(c) that candidates have been refused an opportunity of familiarizing themselves with the working of the automatic machine?

4. Why are telegraphists who passed in "sending" last year not exempted in that subject in the forthcoming examination?

Mr. EWING.—The Public Service Commissioner advises as follows:—

1. All telegraphists are required to show their efficiency by passing a practical examination before they can advance beyond £120 per annum. New entrants to the service, and officers of the general division who desire promotion to the clerical division, are required to pass the same examination. Any officer who passes it is entitled to proceed to the maximum of the fifth class.

2. The other telegraphists referred to, who are fourth class officers, are not promoted on the report of an advisory board alone. They, likewise, are required to pass a practical examination as conditional to promotion, but of a much more difficult standard. In addition, they are examined in the theory of telegraphy, and as supervisory capacity is essential in the higher position, a report is furnished by an advisory board under this latter heading only.

3. (a) Yes, for the reason that it produces more perfect signals than can be obtained by hand sending, and absolute uniformity is obtained.

(b) It is not admitted that their failure to pass was due to the transmitter used, but rather to their want of efficiency.

(c) The working of the automatic transmitter is identical with that of hand sending, and there should be no necessity for officers to familiarize themselves with it; but in all examinations the candidates are given a short preliminary practice.

4. Most of the candidates who failed in "receiving" last year were not tested in "sending" for the reason that, having failed in "receiving" it was useless their proceeding further in the examination, and it would be inequitable to give the few who were tested an undue advantage over those who were not. Telegraphists, moreover, frequently deteriorate in "sending," while they do not in "receiving."

I may add that I have again directed the attention of the Public Service Commissioner to this matter.

ELECTORAL ROLLS.

Mr. WEBSTER asked the Minister of Home Affairs, *upon notice*—

1. Whether he is aware that hundreds of names appear on the State Rolls of New South Wales (of those entitled to be enrolled as Federal voters) whose names do not appear on the Federal Rolls?

2. Is he aware that great confusion is caused by the conflicting methods of State and Federal Electoral Laws, in consequence of which electors holding a right or being enrolled on the State Rolls conclude that such insures them their inclusion in the list of Federal voters?

3. Will the Minister consider the advisability of inserting in the Federal Rolls the names of eligible Federal voters which appear on the State Rolls, and are omitted from the present Federal Rolls, or authorize a new collection of names for the Federal Rolls by the police of the various States?

Mr. GROOM.—The answers to the honorable member's questions are as follow:—

1. It is probable that the State Roll for New South Wales does contain the names of persons who are entitled to enrolment, but who are not included in the Commonwealth Electoral Roll.

2. Yes. The conference of Commonwealth and State Electoral Officers, held in Melbourne in April last, affirmed the desirableness of adopting uniform methods in connexion with electoral legislation in the direction of securing one roll which could be used for both Commonwealth and State purposes.

3. Advantage will be taken, as far as practicable, of any recent information obtained by the police of the various States in connexion with the compilation of State Electoral Rolls.

TOLL TELEPHONE CHARGES.

Mr. WEBSTER asked the Acting Postmaster-General, *upon notice*—

1. Is it the intention of the Department to carry out its expressed intention to substitute the toll or call system for the flat system in the telephone service of Australia on and after 1st July, 1906?

2. If so—will the system be generally adopted on the expiration of present contracts under the existing system?

Mr. EWING.—The answers to the honorable member's questions are as follow:—

1. It is the intention of the Department to carry out its expressed intention to supplement the present system by the introduction of a toll, or measured system, but the necessary arrangements cannot be made to bring it into operation on the 1st July, 1906.

2. It is not intended that the system shall be compulsory except for new subscribers.

JUDICIARY BILL.

Motion (by Mr. ISAACS) agreed to—

That leave be given to bring in a Bill for an Act to amend the Judiciary Act 1903.

AUSTRALIAN INDUSTRIES PRESERVATION BILL.

SECOND READING.

Debate resumed from 14th June (*vide* page 257), on motion by Sir WILLIAM LYNE—

That the Bill be now read a second time.

Mr. DUGALD THOMSON (North Sydney) [2.55].—I very much regret that the Minister in charge of the Bill is not in his place to-day. I am aware that the Attorney-General is quite capable of appreciating any suggestions or criticisms that may be offered, but I think that as the Minister of Trade and Customs has been absent on one or two similar occasions he should at least have endeavoured to be present when an important measure of his own, which may have serious effects upon the commerce and industries of Australia, is under consideration. We have had examples of the confusion that may arise through the absence of a Minister whilst the House is considering a Bill which he will have to administer. When the Commerce Bill was before us, the Attorney-General, on one occasion, had charge of the measure, and gave assurances—genuine assurances I have not the least doubt—as to the effect of the proposals embodied in the Bill, but with regard to grading, for instance, the Minister of Trade and Customs has since acted in a manner absolutely contrary to the view expressed by the Attorney-General. Such confusion is apt to arise when the Minister in charge of a measure has to ask one of his colleagues, who may not have given the Bill full consideration, to conduct it through certain stages. I am sorry that I have not had an opportunity of perusing the *Hansard* report of the Minister's speech. Possibly, however, I have not lost much. The Minister did not favour us with much

information regarding the details of some of the most complex clauses. He read the measure through—in fact, his was a literal second reading, because I assume that he had read it once before—but he failed to furnish honorable members with information which should have been forthcoming as to the incidence, the intent and the possible effect of the provisions. In addition to reading the Bill, he gave us a few samples of statistics, and then handed over the bulk of his figures for publication in that inoffensive volume, *Hansard*—a proceeding which I think is rather questionable. I shall possibly have to deal more with the clauses of the measure, and less with the Minister's arguments, than I would have done had his remarks been more enlightening. A measure, such as that before us, however good its object may be, must be viewed most critically by honorable members. It seeks to confer upon the Minister powers which Parliament has hitherto fought first to obtain; and, secondly, to retain in its own hands. It may be that some of the powers sought to be taken could be exercised with good effect, but the proposal to surrender to a Minister powers which affect even the control of the public purse, of which Parliament has been especially jealous, must be regarded as a serious one, and if agreed to, should be surrounded with the fullest safeguards. I do not desire that my remarks should be regarded as having any personal application to the present Minister. I am not referring personally either to himself or to any future occupant of the office, but I think I shall be able to show that it is proposed by this Bill to confer upon the Minister powers that Parliament will have to resign if the measure be passed as it stands—powers that we should hesitate to give. It may be said, of course, that Parliament can always rescind the action of the Minister, that it may take back any power which he has abused. Yet, while that is the position of every Parliament, we know that all Legislatures are exceedingly loth, even in such circumstances, to part with powers that may seriously affect the commerce, trade, and industry of the community. Another point I should like to bring under the notice of the Minister is that we are asked to deal with this measure without having thrown upon it that full light which would have been obtained had we waited for the reports of the Tariff Commission—a Commission appointed by Parliament for the express

Mr. Dugald Thomson.

purpose of inquiring into the conditions of Australian industries, and suggesting remedies for any anomalies or injustices under which they may labour.

Mr. WILKS.—There will be no necessity for a Tariff Act if we pass this Bill.

Mr. DUGALD THOMSON. — At all events, the necessity will largely disappear. The Tariff Commission has been sitting for months. It has already furnished reports relating to certain trades, and I understand that it is preparing others which will shortly be available. That being so, surely we should have had the advantage of its labours before being asked to pass a measure which largely affects the Tariff. Passing from those matters, and coming to the Bill itself, I may say that I, and also, I believe, every honorable member on this side of the House, recognise the great danger of the modern development of trusts and combines to the people of a nation, the industry of a nation, and the nation itself. This development is new in system, but not in essence. In the past, and even in the present day, it has been, and is, a common thing in misruled countries for the Government to farm out taxation—to allow certain persons, in return for the payment of a lump sum, the right to impose taxes within a given area, and to permit those persons to drag from the unfortunate people whatever they can over and above that amount. At other times there have been grants of monopolies to individuals. The right to trade in a certain article has been given to one particular firm or individual, and that individual, in return for a lump sum, or some considered advantage, has been permitted practically to tax the people by his charges. In modern times, where reformers have abolished these systems, we find that there have arisen, especially in the most energetic of the nations, men of large brain power, and few scruples, who endeavour to take that which was previously given, and by obtaining power or control over the sources of supply, the means of production, and also, it may be, the means of conveyance and distribution, seek to place themselves in a position to make not a legitimate profit on their industry, but to tax the whole community, regardless of the wrong they do to the people, and the injury they inflict on their country. I admit that, although that evil has not arisen to any extent in Australia, it is perfectly right that, before it does so, we should seek a means of resist-

ing it. So far as I think the Bill goes in that direction I shall support it; but to the extent that it goes beyond or is not likely to effect that object I shall criticise it and try to secure its amendment. I can assure the Minister in charge, however, that so far as this one object of the Bill is concerned, he will have no opposition from me, nor do I think he will meet with any from any honorable member on this side of the House. But we have to remember that there are combinations that are beneficent in their objects and effect, and we must be careful not to confuse the beneficent with the destructive ones.

Mr. WATSON.—How many are beneficent?

Mr. DUGALD THOMSON.—The honorable member has used the same argument. I have not plagiarized, but I have repeated the statement of a sound authority.

Mr. WATSON.—I said that some combinations might be beneficent, but I do not know of any.

Mr. DUGALD THOMSON.—Some of them are.

Mr. WATSON.—Where are they?

Mr. DUGALD THOMSON.—In different parts of the world. I could name some of them if the honorable member desired, but I am not prepared at present to give a detailed list. The honorable member for Bland will admit that a combination which is formed to reduce the cost of production—as combines often can do—and which effects a reduction both in the cost of manufacture, and it may be in distribution, thus being able to secure a better price for the producer, and to give the goods at a reduced price to the consumer, is a beneficent one.

Mr. WATSON.—It might be able and yet not willing to do these things.

Mr. DUGALD THOMSON.—There are a number of cases in which they have been both able and willing to do so, and it is these I have in mind. I am referring to those which, refusing to take advantage of opportunities to mulct the people in heavy charges, confer a benefit on the producer, the consumer, and the country in which they are formed, creating as they do an industry that can not only supply the wants of their own country, but can export their products to other parts of the world. Having in mind these two classes of combines, I propose to glance at the provisions of the Bill, which, as I have already said, I may have to scrutinize more

closely than I should have had to do if the Minister had dealt fully with them. In the first place, Part II. of the Bill is headed "Repression of Monopolies." The persons dealt with in this part are covered by clauses 4, 5, 8, and 9. They are—Any person or firm engaged in trade with other countries, or among the States; any foreign corporation or trading or financial corporation formed, and trading within the Commonwealth, and those who wilfully monopolize or combine or conspire to monopolize any part of the trade or commerce with other countries or among the States. Then we have foreign corporations or trading or financial corporations formed within the Commonwealth, and trading within it, who are guilty of this last offence. It will be recognised that an attempt is being made here—I suppose it is the Attorney-General, who, with considerable ingenuity, has made it—to use the provision in the Constitution giving the Commonwealth power over foreign corporations or trading or financial corporations formed within the Commonwealth. But even if that attempt be legally sound—and I am not questioning it—the Commonwealth will still be unable to interfere with combines operating in only one State.

Mr. ISAACS.—If they are corporations, it will be able to do so.

Mr. DUGALD THOMSON.—But not if they are not corporations. Even if we pass this legislation, all the objectionable practices of a combine will still be possible within a single State. I am not suggesting that this is the fault of the Bill—

Mr. TUDOR.—The brick combine in Melbourne, for instance, would still go on.

Mr. DUGALD THOMSON.—Any of the combinations whose operations are confined to one State would still be able to carry on.

Mr. BAMFORD.—So that the Colonial Sugar Refining Company would not be affected by the Bill.

Mr. DUGALD THOMSON.—Its operations are not confined to one State; but I shall deal with it later on.

Mr. ISAACS.—If a combine is a registered company, it will be struck by the Bill.

Mr. DUGALD THOMSON.—If it is not a corporation—if it consists of individuals or firms—it will still be able to carry on its operations within any one State. I recognise that under the Constitution the States themselves will have to take action to perfect any measure in this direction that

may be passed by us. I draw attention to the fact that whilst corporations carrying on operations within a State can be dealt with if they combine, individuals or firms cannot. The Minister will agree that that is so.

Mr. ISAACS.—If it be purely Intra-State in its operations, a firm cannot be dealt with.

Mr. DUGALD THOMSON. — Quite so. The offences are shown in clauses 4, 7 and 8. They comprise anything done in restraint of trade or commerce to the detriment of the public or anything

with the design of destroying or injuring by means of unfair competition any Australian industry the preservation of which in the opinion of the jury is advantageous to the Commonwealth, having due regard to the interests of producers, workers, and consumers.

I need not refer to the offences named in clauses 7 and 8, as I have already alluded to them, further than to say that under them the doing of anything to the detriment of the public in regard to the supply or price of any merchandise or commodity is an indictable offence. It seems to me that in paragraphs *a* and *b* of clause 4 there are two entirely opposite policies outlined. In the first place, a penalty is imposed by paragraph *a* upon any person doing anything

in restraint of trade or commerce, to the detriment of the public.

That would include the raising of prices unduly to the consumer. But in paragraph *b* the policy is quite opposite. If an Australian industry is interfered with, and it is one which it is desired to preserve; if prices are lowered by the competition of a trust or by the importation of the goods of a trust, then a penalty will be imposed upon the trust. It seems to me that there is a very narrow plank to walk there. In the first place, prices must not go up to the detriment of the public. That I quite agree with, and that is the provision in the Sherman Act in America. But a condition is added: that there must not be interference or unfair competition with any Australian industry by any corporation or trust, and the further provisions make it evident that that unfair competition will consist in forcing down the price of the Australian article to the consumer.

Mr. MCWILLIAMS.—What is the definition of "unfair competition"?

Mr. DUGALD THOMSON. — It is dealt with in a later clause. That, I re-

peat, is a very narrow plank between the two provisions. How any one administering the Act is going to distinguish I do not know. I think that the first provision is quite sufficient, at any rate to begin operations with, and that is that nothing should be done to the detriment of the public. I would ask the Attorney-General how far paragraph *b* is meant to extend? Evidently it does extend to preventing unfair competition with an Australian industry by any outside trust or any corporation within the Commonwealth. Is it intended to extend to a corporation engaged in an industry in Australia interfering with the other members of that industry, to its detriment? For instance, there may be a corporation conducting a boot industry. Would competition with that industry be considered unfair if it were carried on by a corporation or firm in the Australian trade?

Mr. WATSON.—What clause is the honorable member referring to?

Mr. DUGALD THOMSON.—I am referring to paragraph *b* of clause 4, which reads in these terms—

Any person who wilfully, either as principal or as agent, makes or enters into any contract

(*b*) with the design of destroying or injuring, by means of unfair competition, any Australian industry, the preservation of which, in the opinion of the jury, is advantageous to the Commonwealth, having due regard to the interests of producers, workers, and consumers.

Suppose that a person were engaged in the Inter-State trade in that very industry, would he, by reducing prices—unduly as the others might think—be considered to be unfairly competing with the industry? I cannot get at the sense of the clause, and I want the Attorney-General, if he can by interjection, to tell me what it really means.

Mr. ISAACS.—It would need a very long interjection, and I would prefer to wait until I speak.

Mr. DUGALD THOMSON.—I think the honorable and learned gentleman understands the difficulty.

Mr. ISAACS.—I think I do.

Mr. DUGALD THOMSON.—If a person be engaged in the Inter-State trade in an industry, must the unfair competition with the industry come from outside, or, if an individual member of the trade within Australia engaged in the Inter-State trade, were to reduce his prices, could he be then brought up for unfair competition in the

industry? That I think the Attorney-General will admit, whatever his answer may be, is an important point.

Mr. BAMFORD.—In each case it would be for the jury to decide.

Mr. DUGALD THOMSON.—Is everybody who lowers a price to be liable to be haled before a court? Surely that would not be in the interests of the public.

Mr. SKENE.—No clearing sales.

Mr. DUGALD THOMSON.—No. I do not think it is a power which is intended to be extended by the House.

Mr. ISAACS.—It does not go as far as that.

Mr. DUGALD THOMSON.—I am not a lawyer, and, therefore, I do not profess to be able to give a legal reading of the clause. I have found difficulty in interpreting its meaning, and I want enlightenment on that point, because, if the Bill be meant to deal, not merely with attempts to destroy an industry from outside the industry, but with every fluctuation of price within the industry, it would be impossible to conduct business. I do not think that the House, if it understood that to be the intention, and I do not say that it is, would pass the clause in its present form. There is another point which I have had difficulty in deciding from my reading of the Bill. Clause 5 says:—

Any foreign corporation, or trading or financial corporation, formed within the Commonwealth, which wilfully, either as principal or agent, makes or enters into any contract, or engages in any competition to do any act or thing—

(a) in restraint of trade or commerce within the Commonwealth to the detriment of the public, or

(b) with the design of destroying or injuring by means of unfair competition any Australian industry.

Under that clause, would a bill of lading be a contract, or must it be a contract for a combine? Suppose, for instance, that a bill of lading were signed at a lower rate of freight by one steam-ship company than by another, would it become a contract within the meaning of the clause, and would the party signing it at a lower rate be guilty of unfair competition? I do not think that this is meant, but I should like an assurance from the Attorney-General on that point. Otherwise we shall be in this absurd position: that whilst it is sought to reach combines in Australia which are thought to be detrimental to the public, or to be doing things detrimental to the public, under this other provision we should be preventing a man from doing anything which might be considered unfair competition, al-

though it might be a reduction of prices or rates of freight which were deemed too high, and he might be trying to benefit the public.

Mr. ISAACS.—How could that possibly be to the detriment of the public?

Mr. DUGALD THOMSON.—Not the reduction; but there might be said to be an interference with an Australian industry.

Mr. ISAACS.—How could that be wilfully done with the design of destroying an Australian industry?

Mr. DUGALD THOMSON.—It might be said at once that if the freights or prices were reduced as the person proposed then he was injuring the industry.

Mr. ISAACS.—But paragraph b says that it must be done "with the design of destroying."

Mr. DUGALD THOMSON.—How could one prove design? It could only be inferred, and it might be inferred that the design was the destruction of the industry. When we find a Bill of this sort, we have to remember that powers previously given to Ministers, where it was not absolutely clear as to the extent to which they were meant to be applied, have been applied in a very extreme manner, therefore we ought not only to know what the intention is, but, if there is any ambiguity in the clauses, we ought to remove it. Again, I think the Attorney-General will recognise that the proposed penalties, which ever is right, are very unequal, namely, a penalty of £500 and imprisonment, or both, in the case of an individual, and a penalty of £500 in the case of a corporation.

Mr. ISAACS.—That has been said very often, but a corporation can only act through individuals, and these persons, whether directors or managers, or holding other offices, are met by clause 9. You cannot do anything more to the corporation themselves, but you can affect those persons who, being members of the corporation, were parties to the act.

Mr. DUGALD THOMSON.—I very much doubt whether when you have imposed a penalty of £500 upon the corporation you can impose a separate penalty upon an individual.

Sir PHILIP FYSH.—That is the maximum penalty. There is an Act which defines all penalties.

Mr. DUGALD THOMSON.—I know that is the maximum, but in the case of an individual the penalty is a fine of £500 and a year's imprisonment.

Mr. ISAACS.—But persons controlling the affairs of a corporation may be severally liable for a joint act.

Mr. DUGALD THOMSON.—When a clause states that the penalty in the case of a corporation shall be up to £500, I do not see how it would be possible to bring individual members of the corporation into the matter.

Mr. ISAACS.—Not under that clause.

Mr. DUGALD THOMSON.—If it could be done at all, it could only be done under a succeeding clause. Then there is a special reference—which is, I think, unusual in a case of this sort—to the opinion of the jury. Does the honorable and learned gentleman intend that these cases shall always be heard before a jury?

Mr. ISAACS.—Yes, for criminal purposes, certainly.

Mr. DUGALD THOMSON.—But they will not all be criminal cases. Paragraph *b* reads—

The preservation of which, in the opinion of the jury, is advantageous to the Commonwealth, having due regard to the interests of producers, workers, and consumers.

That is what the jury will have to decide. Apparently there is nothing else intended to be decided by them.

Mr. ISAACS.—These words are, perhaps, superfluous. It is only to indicate to the House that we mean that it would be for the jury to adjudicate upon criminal cases. In substance, the honorable member is right, I think. The cases would have to go before a jury if they were made indictable offences.

Mr. WATKINS.—Does this clause apply to corporations outside the Commonwealth?

Mr. DUGALD THOMSON.—No, but paragraph *b* of clause 9 does. It would seem that that is all that the jury has to decide.

Mr. ISAACS.—Oh, no.

Mr. DUGALD THOMSON.—By expressing the powers of the jury the Bill seems to limit them.

Mr. ISAACS.—I will make a note of that point.

Mr. DUGALD THOMSON.—But apart from the question of criminal law altogether, some of the matters dealt with by this Bill ought to be decided by a Judge. They are intricate; if the Bill is passed, they will be brought under a law operating for the first time in Australia; they will require the keenest

attention of trained minds; and the Judges will have, as in the case of other laws and in other countries they have had to do, to create precedents, which in time will be recognised as the standards of the law itself. There may be some reason in what the Attorney-General says—that in criminal cases a jury should act.

Mr. ISAACS.—If we make it an indictable offence, the Constitution says it shall be tried by a jury.

Mr. DUGALD THOMSON.—Without proposing to say how the object should be accomplished, I think that a Judge is the proper authority to try the great bulk of such cases.

Mr. ISAACS.—Will the honorable member look at section 80 of the Constitution?

Mr. DUGALD THOMSON.—We have imposed penalties in other cases without their being tried by a jury; but in this Bill we specifically state that the cases shall be tried by a jury. It would be difficult in such matters to get even independent juries—juries that were not personally affected by some of the results of the decisions. But even if we could get independent juries, some of the questions that will arise are so intricate, and require such research and examination, that a Judge ought to deal with them; and in my opinion we could not have too good a Judge for the purpose. A clause upon which a good deal of the previous provision hangs is that which declares what is “unfair competition.” The unfair competition is very delightfully explained as being competition “which is, in the opinion of the jury, unfair in the circumstances;” which really amounts to saying that unfair competition is unfair competition. But the clause goes on to say that competition shall be deemed to be unfair—

until the contrary is proved, if the defendant is a commercial trust or agent of a commercial trust;

and also—

If the competition would probably or does in fact result in a lower remuneration for labour; or—

If the competition would probably or does in fact result in greatly disorganizing Australian industry, or throwing workers out of employment.

I think that the principle there stated is very undesirable—that a man is to be considered guilty until he is proved to be innocent.

Mr. KINGSTON.—Very necessary sometimes.

Mr. DUGALD THOMSON.—It is necessary in some cases, but it can be, and has been, improperly used. I see no necessity for it here. Surely the Government should prove its case, if it has a case, where it is necessary, and where it is so difficult as I will show, under the sub-clause, for the defendant to disprove the charge, then I think there is likely to be gross injustice to individuals, and that harm and wrong will be inflicted. Of course, we deal with a matter of fact in sub-clause *a*. It is, perhaps, a little difficult to prove sometimes, and perhaps not so difficult to disprove, whether the defendant is "a commercial trust or agent of a commercial trust." But there are two sub-clauses, according to which, unless the person charged can prove the contrary, he is to be held guilty and punished, not perhaps for the fact that he has done what is charged against him, but because he is unable, owing to its being beyond his knowledge, to prove the contrary. The Minister has simply to assert, without any supporting evidence, that the competition of the defendant would probably—not actually does, even, but probably would—or does, in fact, result in lowering the remuneration for labour. I should like to know how a man who was not in the particular business in connexion with which the charge arose could prove the contrary.

Mr. WATSON.—He could get assessors, I suppose.

Mr. DUGALD THOMSON.—He might get other people to express their opinions, but he could not prove the contrary. He would have to rely on other people. Why should he be held guilty under such circumstances? Why should not the Government put in their assessors, and prove that the charge is probably true?

Mr. JOSEPH COOK.—In any case, such a matter is one of political opinion.

Mr. DUGALD THOMSON.—Largely.

Mr. WATSON.—Not necessarily.

Mr. DUGALD THOMSON.—It may be on some occasions that these matters are largely matters of Tariff.

Mr. WATSON.—The question of the effect of prices on wages may be free from Tariff considerations altogether.

Mr. DUGALD THOMSON.—It may; but even then it might have Tariff aspects. If the competition does result in greatly disorganizing Australian industry, or throwing workers out of employment,

and if the defendant cannot prove the contrary, he is to be found guilty. Now, any competition—and there is surely not going to be an abolition of competition—must to some extent disorganize an industry which it affects. It may throw out of employment some workers in a particular industry; though, on the other hand, they may find employment in the concern which is taking that part of the trade, and which others are losing, and the loss of which is disorganizing the industry to some extent. The Minister has only to say, for any reason or no reason, that a man is disorganizing Australian industry, and charge him with it; whereupon he is brought before the Court, and if he cannot prove that the result of his operations is not to disorganize industry, and not to cause some workers to be thrown out of employment, he is to be found guilty. Well, that will tend to create glorious monopolies in Australia. The very evil we are trying to avoid and suppress by this measure will be created by it within our Tariff wall. What will be the effect of such a provision? If firms with new and active ideas, carrying on business outside Australia, or even within Australia, doing Inter-State trade—introduced new systems, new processes—it might be a patent process—they would, of course, disorganize, to some extent, Australian industry, and might throw some men out of employment. Is that to be prevented? Is a man to be found guilty, punished severely, and hindered from continuing his operations, because certain forms of industry hang back or are unable to develop processes equal to those of the competing firm? If I read a previous clause aright it need not be an outside firm that effects this. I say that it would be bad for Australia if we were to offer such restrictions to inside or outside enterprise. The best thing for Australian industry is that it should have to keep up-to-date, and on an equality with other similar industries in the world; that its activities should be maintained; that it should go in for development, and employ new processes, and by that means be able to compete with other industries elsewhere. Anything that restricts this does not tend to the development of Australia, and especially does not tend to benefit the consumers of Australia. I am sure that if honorable members find that the Bill has that effect in any particular they will endeavour to amend it. We can offer

see what we are doing, its bearing and its reasonableness or unreasonableness, by looking at the probable effect upon ourselves, if others were to apply the same principle to our trade. We export very large quantities of wheat to England. We know that wheat can be grown in England. It is not the lower wages paid in Australia that prevent its being grown there; but it is the variety of advantages which we possess that enable us to put our wheat into the English market at a cheaper rate than that at which it can be produced there. As a consequence, if wheat is to be produced in England it must be at beggarly wages. We are placing England in that condition by our competition. England might turn round and say, "You are disorganizing English production; you are throwing our workers out of employment; you are forcing a lower remuneration to be given for labour than our workmen ought to get. We intend to bring the industry under the provisions of such a Bill as your Australian Industries Preservation Bill, and to exclude your wheat altogether from our markets." Such, I am sure, is not the intent of most of the members of this House in connexion with a Bill of this sort, and if by the insertion of such clauses as I have specified, it can be used in a most arbitrary and drastic manner, it ought to be amended. The only object of the Bill ought to be simply to repress the gigantic and unfair interference by trusts, anxious to destroy an opponent by any means, which we all recognise to be injurious. It shows the danger of measures of this sort when these provisions can be used as I have explained. Whether they will be so used or not must depend on the administration. But we have to look at the powers which we give. Some Ministers would take full advantage of those powers; and, as I have said already, Parliament should reserve to itself the right in connexion with a measure of this sort, dealing with the trade and commerce, and the industries of Australia, to fix the lines on which interference would be justified, and not give too ample powers to any Minister. Clauses 7 and 8 deal with wilful monopoly, or attempts to monopolize, and clause 7 provides that—

Any person who wilfully monopolizes or attempts to monopolize, or combines or conspires with any other person to monopolize, any part of the trade or commerce with other countries, or among the States, with the design of con-

Dugald Thomson.

trolling, to the detriment of the public, the supply or price of any merchandise or commodity, is guilty of an indictable offence.

In connexion with these provisions, I heard the Minister state that the Colonial Sugar Refining Company was one of those concerns which he had in his mind when these provisions were inserted in the Bill. The Colonial Sugar Refining Company is a New South Wales company, or, at any rate, commenced operations originally in New South Wales, and I have in my possession information which was supplied at a recent meeting of the company, and has been amplified since, showing the many charges made against the company to be altogether unfounded. I have not the information with me now, but I may give from memory some of the replies to the charges which have been made. I should say that I have no interest whatever, direct or indirect, in the Colonial Sugar Refining Company, but I contend that if this Bill is to be used to interfere with and destroy a company which has done so much for Australian industry as the Colonial Sugar Refining Company has, we are getting into a very serious position indeed. This company was founded in 1855, and its growth has been gradual. From personal experience, for a time, as one occupying a supervising position in connexion with a competitor of the Colonial Sugar Refining Company, I am aware of the fact that its success was not gained by cutting down the price paid to the producers of sugar in Australia, and by taking advantage of its position to make gigantic profits. The authorities of the company state that they are willing to show that their profits per ton are not gigantic but reasonable.

Mr. WATSON.—They are certainly very large as compared with the profits derived from sugar refining in other countries.

Mr. HARPER.—Not per ton.

Mr. WATSON.—Yes, per ton.

Mr. DUGALD THOMSON.—I am not prepared to say that they are. Will the honorable member for Bland say that the profits of the Colonial Sugar Refining Company are large compared with those of Spreckles, of California?

Mr. WATSON.—Yes.

Mr. DUGALD THOMSON.—I do not think that they are.

Mr. WATSON.—I have expert authority for the statement that they charge for refining double the price charged by Spreckles.

Mr. DUGALD THOMSON.—We shall see whether that is so directly. I was saying that, having had some supervision of the business of a competitor of the Colonial Sugar Refining Company, I know that the difficulty with competitors of the company was not that the Colonial Sugar Refining Company cut down the prices of cane to the growers, but that they gave higher prices than their competitors could afford to pay.

Mr. BAMFORD.—Then, they have altered their policy.

Mr. DUGALD THOMSON.—I shall deal with that also. I am afraid that in connexion with these matters, there is a good deal of misapprehension abroad. At all events, if my statements are wrong, they can be contradicted. As the result of the prices they had to give growers, and as a result also of the sugar crisis in the early 'eighties, when prices abroad, which affected these markets, came down to a very low level, practically the whole of the competing sugar-mills in New South Wales ceased operations. The Colonial Sugar Refining Company did not take advantage of that position to lower the rate paid to the growers. Immediately after that, and since that time, they have actually been giving the growers higher prices than they paid them when the competition of other mills was going on. The success of the company is easily accounted for. It has been an enterprising company in the hands of men greatly experienced in the sugar industry. Some of the ablest men in the industry have been brought up in the service of the company. They have encouraged invention, and when they had an invention of their own, or when inventions were discovered elsewhere, to improve processes, they have never hesitated to immediately sacrifice machinery, the original cost of which was very large, in order to put in improved machinery at whatever outlay. They have thus been able not only to secure a very large share of the sugar trade of Australia, but, as I know from the experience I speak of, they have saved the industry for Australia, when, in the hands of a less progressive and less capable concern during the sugar crisis, it might have gone out of existence.

Mr. TUDOR.—Is it not a fact that they have only increased the prices to the grower since the Queensland Central Mills were started?

Mr. DUGALD THOMSON. — I am speaking of New South Wales at present, and I know that they have increased

prices in Queensland since the imposition of the Federal duty.

Mr. TUDOR.—But prior to that—since the Central Mills were started in Queensland?

Mr. DUGALD THOMSON.—I believe that is not so, but the honorable member can submit evidence to the contrary if he pleases. I am informed that they have increased prices to the grower since the Federal Government took the matter in hand in Queensland. There is no protective duty now on refining. A great deal of sugar is now refined in Australia in bond, and the £6 per ton duty is paid upon it. I may mention that one of the competitors of the Colonial Sugar Refining Company finds it to its advantage to import sugar from Java and refine it in bond. There were no duties that protected previously in Queensland, but when the Federal duties were imposed, the sugar-grower got the advantage of them to the extent of 3s. 10d. per ton of cane.

Mr. WATSON. — There were duties on sugar in Queensland; but they were not operative.

Mr. DUGALD THOMSON.—That is so; they afforded no protection, because the supply was infinitely beyond the consumption of sugar in Queensland.

Mr. WATSON.—Then low prices are sometimes consistent with a protective policy?

Mr. DUGALD THOMSON.—When there is an export of the article concerned. That is what we always say. When you come to export an article, the protection afforded by Customs duties ceases, and prices must come down to the prices in the markets of the world.

Mr. JOSEPH COOK.—Low prices are not inconsistent with high wages, either.

Mr. DUGALD THOMSON.—They had no protection really in Queensland, but the growers were given protection under the Federal Customs Act, because the whole of the markets of Australia were then opened to Queensland sugar producers, and the Queensland supply was not equal to the demands of those markets. Then the protection of the sugar duty operated, and the growers got 3s. 10d. per ton more for their cane.

Mr. WATSON.—Does 3s. 10d. per ton of cane represent the whole of the difference in the price of sugar plus the duty?

Mr. DUGALD THOMSON.—I remember that the Minister of Trade and Customs stated that they should divide the duty between them, but what the Colonial Sugar Refining Company say in this connexion is

that the difference is retained by them to cover the loss anticipated if the abolition of black labour causes them to withdraw their refineries from Queensland.

Mr. WATSON.—That bears out what I said a little time ago—that they are getting too great a profit under present conditions.

Mr. DUGALD THOMSON.—If conditions are imposed from which a loss may be anticipated, the honorable gentleman will admit that the company must prepare for that loss.

Mr. WATSON.—It is problematical whether any loss will be sustained.

Mr. DUGALD THOMSON.—The authorities of the company are acting on their knowledge of the business, and I believe that they have recently offered still higher prices to the grower.

Mr. WATSON.—To whom will they hand the accumulated profits if there is found to be no such loss as is anticipated.

Mr. DUGALD THOMSON.—They will no doubt set them against some other unexpected loss, which the honorable member knows is always occurring in business.

Mr. WATSON.—It is one of their inner reserves.

Mr. DUGALD THOMSON.—Dealing with a question of opinion differences may exist, but we will come to practical issues, and to practical comparisons. From a return obtained of the operations of the Central Mills, during the period from 1901 to 1904, showing the total number of tons of cane handled and the prices given for it, it was found that the Central Mills paid the growers 3d. per ton less for their cane than the prices paid by the Colonial Sugar Refining Company during the same period. The company, in the first place, are charged with giving too little to the grower, although it is shown that they have given 3d. per ton more than has been given by the Central Mills, established with Government money at low rates of interest, and in which the Queensland Government have some interest since the liabilities of the mills have not all been met. If the Colonial Sugar Refining Company can be accused of making too much out of the buyer, then what do the Central Mills, which are assisted by the Queensland Government, make out of them, when it is shown that they get their cane for less, while they obtain the same price as the Colonial Sugar Refining Company for their sugar? It must be remembered that some 12½ tons of cane go to a ton of sugar, so every penny or shilling per ton

of cane has to be multiplied accordingly to arrive at the effect on a ton of sugar. I do not give this explanation merely because the Colonial Sugar Refining Company are operating an industry originating in New South Wales, but I do think that, when an industry started early in our history, which has been only a short one, has been gradually and successfully established, and has been the means of creating interests not in Australia alone, but outside of Australia, in New Zealand and Fiji, instead of attacking it when there is no good reason for doing so, we should be proud of it, and should desire to encourage it. We do not find the people of New Zealand, in connexion with their great industries such as that of the Union Steamship Company, taking so little pride in them, and we do not find them trying to destroy them, especially when no good and sufficient reason can be shown for any such action. Of course, it is said that the Colonial Sugar Refining Company is a company of capitalists. I have not the information with me, but particulars have been published in the press which show that, so far from that being the case, the company is composed of some 1,300 odd shareholders. It is admitted that less than one-fourth of the number may be described as capitalists, but the rest are trustees and others interested for families, widows, and so on, and the employes of the company have a considerable interest in its shares. They have a provident fund alone holding 3,000 of the shares. In these circumstances, if this Bill is to be used to attempt the destruction of an industry of that nature, it will be a very unfortunate application of its provisions.

Mr. KENNEDY.—Is it not a first condition that this corporation must be doing something detrimental to the public before it can be interfered with?

Mr. DUGALD THOMSON.—I am replying to certain charges that have been made, and to a remark of the Minister in connexion with the Colonial Sugar Refining Company. I am sure that the honorable member for Moira will bear with me in putting forward what are stated to be facts to which the Colonial Sugar Refining Company have given publicity. I think that any company attacked in this House is entitled to have its side of the case put before honorable members, especially when a Bill is being brought in one of whose objects has been indicated to be to deal with that company. I pass now to the third part of the measure, which requires the

most keen examination, since the powers given in it are extraordinary. If Parliament passes this part as it stands, it will no longer have occasion to consider the Tariff, because the Minister will be independent of any Tariff. Hitherto, Parliament has been supposed, according to the opinions and lights of its members, free-traders and protectionists, to fix what are considered reasonable duties to impose for purposes of revenue or to enable Australian industries to compete with manufactures from abroad. We have arranged such a Tariff, and have appointed Commissioners to investigate its working, but, after we have dealt with their report, it will, under the Bill, be competent for the Minister, whenever he chooses to do so, to come in, and say to any importer, "You are unduly interfering with an industry in Australia; you are doing what I term dumping." He can then refer the case to a Board of his own appointing, the views of whose members he may know before he appoints them, and he can act on the decision of that Board. The Board will not decide what is to be done; it is the Minister who will do that. The Minister alone acts, and he can absolutely exclude goods to whose importation he objects, or he can place such conditions on their admission as he sees fit.

Mr. KELLY.—The members of the Board may be trade rivals of the importer.

Mr. DUGALD THOMSON. — Yes. I shall presently deal with that aspect of the case. This is an extraordinary power for the Minister to ask for. No Minister has a right to have such authority. If such provisions were agreed to, Parliament should have the right to decide when they should be imposed. But there is no need for great hurry in these matters. Even looking at the matter from the Minister's stand-point—personally I do not agree with many of his proposals—it is not one shipment but continued shipments which would do injury, if injury is to be done, and therefore Parliament would have plenty of time to deal with any abuse that might arise. The parties to be dealt with under these clauses of the Bill are not those in regard to whom the previous parts of the Bill take effect; they are the importers of goods, or the sellers of imported goods—everybody who imports goods, or sells imported goods. The offence for which they will be liable to penalties is unfair competition with Australian industries. We have determined by the Tariff

what is fair or unfair competition; but it is here proposed to set up a tribunal, with practically no responsibility, to settle that matter for us. Then it is provided that the Comptroller-General, or the Board, shall decide what industries may be advantageous to the Commonwealth, having due regard to the interests of producers, workers, and consumers, and that they shall also decide what is unfair to Australian industries. This is a most extraordinary provision, as I think the Attorney-General will see if he looks at it. Under clause 13 the Comptroller-General, or the Board, as the case may be, is to decide what industries are advantageous to the Commonwealth, while in the other portion of the Bill similar questions are to be decided by a jury.

Mr. ISAACS.—No jury is provided for in this part of the Bill.

Mr. DUGALD THOMSON. — No, but there is a Board, though the Comptroller-General can decide these questions independently of the Board. He has no such power under the other portions of the Bill.

Mr. ISAACS. — He decides matters only for the purpose of his own certificates, not for the purpose of the Board, or for the purpose of the Minister.

Mr. DUGALD THOMSON.—That is not at all clear. The clause says, "industries, the preservation of which, in the opinion of the Comptroller-General." The Comptroller-General, or the Board, as the case may be, may also decide what is unfair competition. That power is given in paragraph *b* of sub-clause 2 of clause 14.

Mr. ISAACS.—For the purposes of his own action.

Mr. DUGALD THOMSON. — The clause does not say so.

Mr. ISAACS.—"As the case may be" shows that.

Mr. DUGALD THOMSON.—It seems to be very involved.

Mr. DEAKIN.—There is no question as to what the object is.

Mr. DUGALD THOMSON.—No, that may be; but the meaning might be made clearer.

Mr. ISAACS.—If any words can be suggested which would make it clearer, I will accept them.

Mr. DUGALD THOMSON.—The honorable and learned member, if he sets out to make a thing clear, can do so without the help of any suggestion. Paragraph *a*

of clause 14 is the most extraordinary provision in the Bill. Competition shall be deemed unfair, not only if it may lead to Australian goods being withdrawn from the market or sold at a loss, unless produced at a lower remuneration for labour, but if it would probably lead to that. This has nothing to do with the legislation against trusts. This is anti-dumping legislation.

Mr. PAGE.—Who is to decide the matter?

Mr. DUGALD THOMSON. — The members of the Board, who are to be experts, and, consequently, interested parties, and possibly competitors of those concerned.

Mr. PAGE.—The Minister is not serious about the clause.

Mr. DUGALD THOMSON.—Competition is to be deemed unfair if importation is likely to lead to goods being withdrawn from the market, or sold at a loss, unless produced at a lower remuneration for labour.

Mr. ISAACS.—In other words, unless the goods cannot be produced if labour is not ground down. Is the honorable member prepared to allow that?

Mr. DUGALD THOMSON.—The Attorney-General is wrong again. The first provision deals with goods being withdrawn from the market. How can goods be imported and sold without causing other goods to be withdrawn, for the time at any rate, supposing the market to be already full?

Mr. HARPER.—Things adjust themselves again.

Mr. DUGALD THOMSON.—Yes; but any importation under such circumstances must for a time cause other goods to be withdrawn from the market. This provision would allow a Minister to keep out goods, and importers would not know what to do. We must depend to some extent upon importations. I am in sympathy with the desire to create Australian industries; but a large amount of our requirements must be brought from abroad, and we shall be the most extraordinary Parliament under the sun if we hamper our business people, and prevent our merchants from trading effectively. Under this provision anything and everything could be shut out, either on the ground that its importation would lead to goods being withdrawn from the market, or that it would lead to goods being sold at a loss unless produced at a lower remuneration for labour. We know perfectly well that occasional shipments of goods do

not affect the remuneration for labour; in other words, that wages are not thereby altered. Every firm, paying what wages it may, has now and then to lose money in consequence of competition; but it looks to reap a larger profit on some other occasion. The proposed measure may be administered by a free-trader, who will not be anxious to bring into force any of its provisions; or it may be administered by a protectionist, who will be anxious to bring them all into force, and, by doing so, if he appoints a Board of the same views as he himself holds, he will practically shut out everything. Surely these powers are too serious to place in the hands of any Minister, or of any Board. According to the Minister, the Board is to consist of experts—men who understand the business with which they are dealing. Where are we going to get these men, if we do not get men who are interested in some way or another in the matters with which they would have to deal? They will have to decide cases on which depend the livings of other men, who may be their trade rivals. If matters have to be dealt with in this way—though I do not see the necessity, even from the Minister's stand-point—they should be dealt with by the most honorable and intelligent Judge that we can find. Even if an article is not produced here, its importation could, under this provision, be prohibited on the ground that importation might prevent the manufacture of Australian goods; or a little of the article might be manufactured here, for the sake of excluding a similar article manufactured abroad, in regard to which it might be perfectly true to say that it could not be manufactured here without lowering the rates of wages, because its manufacture might be absolutely unsuited to Australian conditions. What is proposed is to provide for prohibition, which we have not hitherto attempted to bring about. I have never yet heard a protectionist argue in this House in favour of prohibition for the exclusion of anything. Protectionists recognise that we must import many things, if only for the development of our own industries, and for that reason have allowed certain articles to be placed on the free list.

Mr. KELLY.—If the proposed measure is put into full operation, the Commonwealth will have to look beyond the Customs duties for a new means of revenue.

Mr. DUGALD THOMSON.—Yes. I do not mean to say that the Minister

intends to press its provisions so far. The decisions of the Board would have to be in accordance with the clause, and the Minister would have to act in keeping with its provisions. That would bring about a very serious position. Certain articles which form the bases of industries, can be produced in some parts of the world much more advantageously than in others, and many of our industries would be seriously affected if, because such goods could be produced in Australia, though at a much higher cost, some one could come along and demand their exclusion, or the imposition of such conditions that they could not very well be imported. Therefore, we should be careful not to confer any such powers. It must be remembered also that the competition with which our manufacturers have to contend, does not always come from countries where low wages are paid. Some of the competition complained of by the Minister comes from countries which pay high wages, and in which the trusts' operations are conducted. Therefore, if we attempt to interfere with the operation of natural laws, so far as Australian trade is concerned, we shall prejudice our own interests. Clause 14 contains some extraordinary provisions. The second sub-clause reads as follows:—

In the following cases the competition shall be deemed unfair until the contrary is proved:—

- (a) If the person importing goods or selling imported goods is a commercial trust:
- (b) If the competition would probably or does in fact result in a lower remuneration for labour:
- (c) If the competition would probably or does in fact result in greatly disorganizing Australian industry or throwing workers out of employment:

In other words, guilt is assumed unless the contrary is proved. Paragraph *d* provides that competition shall be deemed unfair until the contrary is proved, if the imported goods have been purchased abroad at prices greatly below their ordinary cost of production where produced, or the market price where purchased. In such cases, goods can be absolutely excluded. I should like honorable members to consider how such a provision, if literally construed, would affect trade. Goods are often sold abroad in the same way that they are frequently sold in Australia, below the cost of production. The market may go against a producer, and it may be impossible for him to sell at or over the cost of production. In the event of the market

going back, perishable goods must frequently be sold at less than the cost of purchase or production; otherwise they will deteriorate and involve the holder in serious loss. Then, again, goods frequently go out of season or out of fashion, and it is well recognised among the wholesale houses in England and elsewhere, that at the end of the season certain goods must be sold for what they will fetch, even if the price be below the cost of production. Some of these goods reach Australia in season, because our fashions generally follow those of the older countries. Is it contended that goods should not be admitted here if they have been purchased below the cost of production?

Mr. MAUGER.—Who gets the benefit of that?

Mr. DUGALD THOMSON.—The consumer gets the benefit in a case such as I have mentioned, in the same way that he loses when the market goes up.

Mr. RONALD.—Not if there is a monopoly.

Mr. DUGALD THOMSON.—It is of no use talking to the honorable member as to the course of trade and the markets, because he cannot for a moment claim to be an authority upon such subjects. If an article such as wheat or rice—

Mr. MAUGER.—Say clothing.

Mr. DUGALD THOMSON.—I shall deal with clothing afterwards. If the market goes against the holder of, say, wheat, nothing on earth will enable him to obtain a price equivalent to the cost of production.

Mr. RONALD.—Except a monopoly.

Mr. DUGALD THOMSON.—A monopoly could not be brought about if there were markets throughout the world to which purchasers could go, or if there were over-production. No man could hold his goods for ever, especially perishable goods.

Mr. RONALD.—But a ring could do so.

Mr. DUGALD THOMSON.—No, it could not. It would be impossible for a ring to hold grain for ever. Another ring would soon operate—a ring of small insects—and quickly relieve the owner of his goods, if not of his obligations. There should be no need for me to repeat what I have said on this subject, because it is really the A B C of business. If the market goes absolutely against the holder of perishable goods, which can be purchased from others at rates lower than he

has paid, he must reduce to sell. That is perfectly clear. As regards seasonable goods, such as clothing, it is well known that at the end of the season in London or Paris—

Mr. MAUGER.—Say in Berlin.

Mr. DUGALD THOMSON.—It does not matter which. When it is anticipated or known that there will be a change of the fashion—and a change usually does take place—the wholesale houses find it necessary at the end of the season to get rid of their goods at whatever prices they can obtain.

Mr. PAGE.—That is business.

Mr. DUGALD THOMSON. — Of course. In the same way, if the honorable member had certain liabilities to meet when low prices ruled in the sheep market, he would have to sell his stock at the prevailing rates. Many of the goods such as I have mentioned reach us in time for our season, which usually follows that of the older countries. Should all these goods be excluded? If that course is to be followed the Bill will provide one of the greatest means of taxation that has ever been submitted to this Parliament.

Mr. KENNEDY.—The provision referred to by the honorable member would not exclude such goods.

Mr. DUGALD THOMSON.—I should have read paragraph *e* in conjunction with paragraph *d*. Paragraph *e* reads as follows:—

If the imported goods are being sold in Australia at a price which is less than gives the person importing or selling them a fair profit upon their fair foreign market value, or their cost of production, together with all charges after shipment from the place whence the goods are exported directly to Australia (including Customs duty):

I contend that it would be impossible for any Department to follow trade through all its ramifications.

Mr. PAGE.—If an Australian merchant went to an English warehouse and found that he could purchase at a much reduced price certain goods that had been in stock for some time, could he bring them out here?

Mr. DUGALD THOMSON.—Not if the price were below the fair market value of such goods. If a merchant went to England or America, his object would be not to buy his goods as cheaply as possible, because they might be shut out of the Commonwealth, but to see that he paid enough for them.

Mr. KELLY.—And also to see afterwards that the consumer paid enough.

Mr. DUGALD THOMSON.—Exactly. It seems to me that the Bill goes altogether beyond anything that we should attempt in a measure of this kind. A merchant might incur very heavy losses through failing to avail himself of an opportunity to sell his goods at less than their cost to him. Is it right that we should interfere with all these operations of trade. Clause 14 contains another astonishing provision. Paragraph *f* reads—

If the person importing or selling the imported goods directly or indirectly gives to agents or intermediaries disproportionately large reward or remuneration for selling or recommending the goods.

That provision would have the effect of reducing the remuneration of brokers, agents, or travellers. I should like to know who is to decide what is a proper remuneration? In some cases $\frac{1}{2}$ per cent. might be an excellent remuneration, whereas in other instances 25 per cent. would not be a good return for services. Why should we attempt to reduce the rate of remuneration? Those who hold goods do not pay more than they find it necessary to give in order to sell them.

Mr. MAUGER. — Under certain circumstances they pay more than they need for a specific purpose.

Mr. DUGALD THOMSON.—They pay in order to sell. If they find that one man can sell two machines where another can sell only one, they are satisfied to pay more money to a better salesman.

Mr. MAUGER.—That is not the practice that is aimed at.

Mr. DUGALD THOMSON.—Surely we ought to deal with competition with some honor and reasonableness. Why is no restriction placed upon the Australian competitor? Why should he be allowed to pay what commission he likes?

Mr. MAUGER.—He is an Australian, and he is all right.

Mr. DUGALD THOMSON. — Then what is improper in the one case is legitimate in the other.

Mr. MAUGER.—I do not say that.

Mr. DUGALD THOMSON. -- I am speaking of the Bill. The provision as it stands is an absurdity, and I shall be astonished if Ministers persist in retaining it. I need not refer further to the operations of the Board. I need only say that whilst I would not accuse any member of this Parliament of wilfully doing wrong as a

Minister, I consider that we shall act unwisely if we afford opportunities or inducements to future Ministers, whoever they may be, to allow corruption to enter into their administration. The less Ministers have to do directly with these drastic powers—powers which may be so severely exercised, and will inflict enormous monetary losses—the better, and the less they have to do with them through boards, which are the creatures of their appointment, the better for themselves, for the Parliament, and for our commerce. If such provisions are to remain—and I hope most of them will not—by all means let us have a Judge to deal with these matters. There has been no occasion to introduce special legislation in Australia for what is described as dumping. Some honorable members doubtless hold a different opinion; but if we are to have such legislation it would be better for us to follow the provisions of the Canadian Act, which the Minister cited as one of his authorities, although it seemed to have been regarded by him as a warning rather than an example, a warning judging by the desire on his part to depart altogether from its provisions. The Canadian Act simply provides that where it is considered that goods have been purchased at less than their legitimate market value, duties which to some extent may counter-balance the difference between the purchase price and the market value shall be imposed. I do not think that such a law is necessary, but if a majority of honorable members hold that it is, why not let us adopt it? If we follow the Canadian law we shall determine for ourselves what is to be done in such cases. It will not be left to a Minister, nor to a Board appointed by a Minister, to decide, as a kind of jury, whether the competition is unfair or not. The Minister will not have power subsequently to do what he chooses, and to take action that may interfere with the very provisions of our Tariff. Instead of this, if we adopt the Canadian precedent, we shall in such cases fix a duty that will, to some extent, counter-balance the lower cost of the goods. Surely it will commend itself to most honorable members that we should retain in our own hands the power that we are now able to exercise when dealing with the Tariff, and determine for ourselves how the difference between the purchase price and the market value of any goods im-

ported is to be equalized, if it be necessary to equalize it. I do not think that it is, but if the majority of honorable members differ from me, I hold that we should follow the Canadian law rather than confer on a Board to be appointed by the Minister these enormous powers, which, at some time or other, even if not in the immediate future, will lead to corruption in the Federal sphere. I have nothing more to say with respect to the Bill itself. I would only repeat that, so far as its provisions against destructive trusts are concerned, anything that can be effectively done, without injury to beneficent combines, will be readily undertaken by myself, and, I think, by most honorable members on this side of the House. I regret, however, that, whilst making what I believe is, whether successful or not, a genuine effort to deal with this question, Ministers have burdened the Bill with the most extreme proposals relating to imports that I have ever seen in an Act of Parliament. I trust that this Legislature will not grant the powers that are sought. In some respects, and in so far as it relates to trusts, this is not a party measure, and I therefore hope that Ministers, finding a willingness on the part of honorable members to fairly consider their proposals in connexion with what are recognised on all sides of the House to be laudable objects, will not insist on carrying by the weight of their numbers provisions such as are to be found in Part III. of the Bill, which would not only take out of the hands of Parliament a power dearly achieved, but would create opportunities for wrong-doing, and for inflicting injury, the like of which should never be allowed by any of our Legislatures.

Mr. FOWLER (Perth) [4.36].—I do not intend to occupy the time of the House very long, but I cannot allow the opportunity to pass without saying that which I think requires to be said in connexion with this measure. With every desire to be as friendly to the Government as possible, I must, nevertheless, express my great surprise that a member of it has introduced a Bill of this kind. Not only does it seem to be protection run stark staring mad, but the ordinary safeguards against extravagance on either side of the fiscal issue have been deliberately set aside. When we think things are done that ought not to be done, we appeal to Parliament in the last resort, but the extraordinary power to take action

in this regard is by this Bill to be placed in the hands of a few irresponsible individuals. I must confess that I see a great difficulty in securing disinterested persons to deal with these matters. The members of the Board will have also to deal with some of the most difficult and intricate problems of modern commercial conditions—problems which ought to be threshed out in this Parliament, and not remitted to individuals who, before they approach their consideration, may have adopted a biased view, rendering them totally incapable of coming to that decision that ought to be given in respect of such large and grave issues. I do not wish to go into many details, but one of the very first clauses of the Bill appears to me to be profoundly absurd. Clause 4 provides that—

Any person who wilfully, either as principal or as agent, makes or enters into any contract, or is a member of or engages in any combination to do any act or thing, in relation to trade or commerce with other countries or among the States—(a) in restraint of trade or commerce to the detriment of the public—

shall be guilty of an indictable offence. Any person who proposes to do anything in connexion with the trade or commerce of this country—in restraint of trade it is assumed—may be dealt with. If we take these provisions as they stand, I believe that any member of a protectionist association might be prosecuted, or, on the other hand, any member of a free-trade organization might be assumed, in pursuit of his particular ideas, to be doing something in restraint of trade or commerce.

Mr. DUGALD THOMSON.—And so with a trade unionist.

Mr. FOWLER.—Undoubtedly a trade unionist who might take certain steps which from his point of view appeared legitimate, would be liable, as I read the clause. Another objection to this measure is that it is based almost entirely on certain premises, the correctness of which, adopting even the friendliest attitude towards them, are, to say the least, very doubtful. It is assumed, for instance, that a commercial trust is necessarily objectionable. My political views and sympathies cause me to take a rather definite stand against organizations of this nature, but still I am careful to discriminate between trusts that operate in an objectionable way, and trusts that are rather beneficent than otherwise to the public. There are undoubtedly organizations that may be called trusts, the only result of whose work has been to reduce

to the public the cost of the article which they produce. It may be almost taken for granted that, in the case of certain commercial interests, firms carrying on the same work, can achieve as good, or even better, results by combining, and at the same time giving the public advantages corresponding with those which they obtain for themselves.

Mr. ISAACS.—Hear, hear; that is all provided for in the Bill.

Mr. FOWLER.—If it is, then it is done in a way that is not very apparent to a layman. In the circumstances, it ought to be more plainly provided than it is. Another purely gratuitous assumption is that if, under competition, wages in Australia are reduced, the issue is resolved into a matter of wages. Suppose that a certain machine is invented which reduces the cost of an article. The machine is very expensive, and can only be operated where the demand for the article is very large. That means that the machine can only be introduced into those countries which have a much larger trade than has Australia at the present time. Assuming that the machine is introduced into America, and results in a certain product which is sold in Australia being reduced in price. The Australian manufacturer who wants to compete is placed in this position, that he has either to get the new machine or to reduce the wages of his employees. I regret that I am unable to go into details of evidence given before the Tariff Commission, but I may say, incidentally, that frequently it has been told that the demand for a certain class of goods is so limited in Australia that to put in the best and most up-to-date machinery would not be justified. Accordingly, under paragraph *b* of clause 6 of this Bill, the Australian manufacturer would be compelled to reduce wages, and that reduction of wages is assumed as the radical factor in competition with the outsider, whereas the true factor is simply that the man outside was in a position to get up-to-date machinery to do his work, while the local manufacturer was not in that situation. Therefore, I contend that the whole issue is begg'd, and it is misleading to talk about a reduction in the remuneration of labour necessitating the prohibition of the article imported.

Mr. ISAACS.—Does the honorable member assume that the Australian industry is one advantageous to be preserved or not?

Mr. FOWLER.—Again, the honorable and learned member introduces matter

which ought to be discussed in relation to the evidence submitted before the Tariff Commission.

Mr. ISAACS.—It is a necessary condition in the Bill that the industry ought to be preserved in the interests of all.

Mr. FOWLER.—The honorable and learned gentleman is, I repeat, introducing matter which ought to be discussed in connexion with the evidence submitted to the Tariff Commission. It has been represented to that body even by protectionists that the time has not arrived in Australia when certain industries can be successfully carried on under ordinary conditions. That, as I think the honorable and learned gentleman will admit, opens up the very large question as to what is the particular time in the development of an industry when the imposition of the duty which it requires for its prosperity will be justified. Of course, I know that extreme protectionists contend that the duty should be put on in order to bring an industry into existence, but there are not very many of these gentlemen in the House at the present time. I believe the majority of the protectionists in the House contend that only where an industry has a chance of existing under reasonable conditions is the imposition of a duty justified. So I hold that until the evidence submitted to the Tariff Commission comes down in connexion with a good many of the premises upon which this Bill is built, it is unfair to the House to bring forward these matters. A suggestion has been made here that in order to prove the justification for the exclusion of certain articles from Australia, all documents necessary to prove the case against the unfortunate individual who may be trying to get them introduced, shall be available for examination by the Board which is appointed. I should like to know from the Attorney-General, who is at present in charge of this Bill, whether that necessarily means that the documents in possession of Australian manufacturers of the same articles are also going to be examined. Because, in some cases, in order to prove a case against the importer it will be very necessary, indeed, to examine the books of his Australian competitor. Here is another illustration of the peculiar methods in which the Bill is drawn. Paragraph *f* of clause 14 provides that certain penalties shall be inflicted—

If the person importing or selling the imported articles directly or indirectly gives to

agents or intermediaries disproportionately large reward or remuneration for selling or recommending the goods.

How is this disproportionately large reward going to be proved? In the case of certain industries and also certain imports the House will find on reference to the evidence laid before the Tariff Commission that disproportionate rewards, to all appearances, pertain. In other words, the cost of selling these articles seems to be altogether out of proportion to their value, and yet, no doubt, there is a very good commercial reason for that. Now, if a certain reward is customary in connexion with an Australian-made article, will a similar reward in connexion with the imported article be regarded as disproportionate if it seems out of proportion to the value of the article sold? I should say that here, again, you have a case in which necessarily the locally-made article and the custom in connexion with the sale thereof will have to be balanced up against the circumstances of the imported article. Apparently no provision for that is made. It seems to me that the importer is to be regarded as a person who is to be hounded into a corner, and then, if he chooses, he can turn round, and make a fight in the best way open to him. That, I would suggest to the Government, is hardly an attitude that might be expected in connexion with the industries and the commerce of Australia. I did not think that Ministers were prepared to go so far as to say that all importers are to be regarded in the first place as natural enemies of Australian manufacturers. Again, I think it will be shown in the evidence laid before the Tariff Commission that the importer frequently plays a very important part in the assisting and development of Australian manufactures. If it is intended to treat him in this fashion I can assure Ministers that sometimes they will hit Australian industries pretty hard. The principal reason why I rose was to suggest very earnestly that this is a measure which should not be brought forward until members of Parliament are in possession of at least the greater part of the evidence taken by the Tariff Commission. I can assure honorable members through you, sir, that they will find a considerable amount of evidence submitted by the Commission which will assist them very materially in arriving at a very safe decision with regard to a measure of this kind. I can assure them, on the other hand, that if they proceed with this Bill without the

advantage of seeing that evidence they will be groping in the dark and making mistakes corresponding to that particular action. I would urge the Government to allow the consideration of the Bill to stand over until that evidence is available for the benefit of honorable members. I make this request, not as a fiscal bigot in any sense, or as one who is prepared to always look at the fiscal issue from the same side, but in the interests of good government and safe legislation. It is a concession to which this Parliament is entitled from the Government in order to save it from committing mistakes, otherwise we shall have a measure which will have to be altered very materially after further evidence is submitted. That, I take it, is a position which would not be creditable to the Government or to Parliament. I hope, therefore, that what I have urged will receive consideration from those responsible for the Bill.

Mr. JOHNSON (Lang) [4.56].—I am in thorough accord with the views which have just been expressed by the honorable member for Perth. I believe that it would have been far better for the Government to wait until the reports of the Tariff Commission had been distributed to honorable members to find out first, whether there is any necessity for legislation of this kind, and next, what is the best way to deal with any matters which need to be dealt with as the result of any disclosures in those reports. But so far there has been nothing shown by the Minister of Trade and Customs to justify the introduction of a Bill of this kind. It has been brought in to deal with matters which so far as we know have only an imaginary existence. There is one thing to which I wish specially to refer, and that is the absence of the Minister of Trade and Customs, who should be here in his place to listen to the criticism passed upon his Bill. It is a piece of gross discourtesy to the House that after he has moved the second reading of a Bill of this kind, and in a long and laboured speech pointed out the meaning of its provisions, he should not remain to hear the criticisms of other honorable members. This afternoon we have listened to a close scrutiny and analysis of the measure from two speakers, and the Minister should have been here to listen to and reply to them. It is a singular thing that no Minister has risen to deal with the objections which have been urged against the Bill. The honorable member for North Sydney made a careful and able

criticism of its provisions—it was exhaustive, thoroughly fair, and absolutely temperate in tone—and was of such a character as to demand an answer either from the Minister responsible for the introduction of the Bill or from the Minister temporarily in charge of it during his absence. Yet we have heard not one word in reply to that criticism, or to that of the honorable member for Perth. This is entitled a Bill for the preservation of Australian Industries. It might more properly be described as a Bill to strangle trade in Australia and to raise the prices of agricultural implements to the farmers. That is not the only purpose of the Bill. We know perfectly well that this measure was brought forward, not because Australian trade is suffering to any appreciable extent from the operations of trusts, either foreign or local, but because it is desired to unfairly bolster up manufacturing industries in Victoria, principally in Melbourne, at the expense of the Commonwealth. The Bill had its origin in the demand of a firm of harvester makers in Victoria that a heavy additional duty should be levied upon imported harvesters and parts of harvesters for the purpose of keeping up the price of goods which this firm made. That demand was made in November last, and was followed up by meetings engineered by the same firm calling upon the Government to introduce legislation for the purpose of keeping out imported harvesters. Why? Not for the purpose of preserving Australian industries; not for the purpose of promoting the interests of the public of Australia; not for any good, laudable, or worthy purpose whatever; but simply to create a monopoly in the hands of one firm by shutting out competition from abroad. The movement was initiated in the interests of the Sunshine Harvester Company, and was engineered principally by Mr. McKay, who is the proprietor of those works. In the speech of the Minister of Trade and Customs in introducing this Bill, the intention which I have indicated is made absolutely clear. We are told about the strangling of Australian industries under the Tariff, how they are declining, and how necessary it is to preserve them. Yet there is not a tittle of evidence to show that any Australian industry has yet suffered from competition from abroad. On the contrary, those who take the trouble to inquire will find that there is abundant

evidence to show that no Australian industries require any legislation for their preservation, or are in the slightest danger. The harvester industry in particular is in a most flourishing condition. I propose to give a few figures bearing upon these points. Special provision has been made in this Bill to guard against dumping; the ostensible reason being that, through the alleged dumping process, articles are sold in Australian markets at a lower rate than that for which similar articles of Australian manufacture can be sold. Even assuming that that is true, who gets the benefit of that underselling? Does not the purchaser of the articles benefit? If harvesters are being dumped and sold in Australia for lower prices than the Australian harvesters, who benefits? Does not the Australian farmer? If this legislation is for the purpose of preventing the Australian farmer from getting his agricultural implements at the cheapest rate, for keeping up prices, and for making the farmer pay prices over and above those for which Australian-made harvesters are sold out of Australia, a great wrong is done to him. For it is a well-known fact that the locally-made harvesters are sold at a certain price in Victoria, whilst outside this State, and outside the Commonwealth, they are sold at a lower price. If these manufacturing firms can afford to sell these machines at a lower price after paying freight to other countries, they have a right to allow the Australian farmer to get the benefit of that lower price, so that he may be upon the same footing as are farmers in the Argentine and other foreign countries. The farming industry is already too heavily handicapped by legislative truckling to Melbourne manufacturers. In regard to the alleged dumping of harvesters by the International Harvester Trust, I find, upon examination, that before 1904 only a few samples of harvesters were imported by this firm. During 1904 and 1905 the importations of the firm did not exceed 8 per cent. of the total annual sales in the Commonwealth. That being so, the company whose operations have been referred to by the Minister of Customs as furnishing reasons for the introduction of legislation of this character, really affords no justification for the Bill. As to the Victorian iron-workers generally, whose industry it has been alleged in on the down grade, and requires special nursing by the Commonwealth Parliament, I find upon

investigation that up till last year more establishments had been created, more hands employed, more capital invested in plant and machinery and buildings, and that there had been a larger output since the Federal Commonwealth Tariff came into existence than under the old Victorian Tariff before Federation. I propose to furnish comparative figures for the nine years dating from 1896 to 1904. I have not the figures for last year, but I believe they would show an even more favorable comparison. The number of establishments increased from 326 in 1896 to 436 in 1904—an increase of 110, equal to 30 per cent. The number of hands employed increased in the same period from 6,151 to 8,378—an increase of 2,227, equal to 30 per cent. The value of machinery, which is another great test, as well as of plant and buildings, in the same period, increased from £1,099,400 to £1,247,641; or an increase of £148,241. Comparing the value of the output, in 1900, the year before Federation, I find that the result is £1,879,825. In 1904 the value was £2,030,329, or an increase of £150,504. Those are the figures as regards the iron-working industry, which is supposed to have suffered with exceptional severity, and in the interests of which this proposed legislation is alleged to be necessary. Coming to the engineering trades, I find that they show an equally satisfactory condition. In 1896 the number of hands employed in the engineering trades in Victoria was 4,112; in 1904 the number was 4,676—an increase of 564 in the period named. In the year 1896 the number of separate establishments was 159; in 1904, 233—an increase of 74. That is the way in which these industries of Victoria are being “strangled” under the present Tariff! They have been “strangled” to such an extent that there have been increase in many cases ranging from 30 to 50 per cent.!

Mr. PAGE.—Why is more protection wanted, then?

Mr. JOHNSON.—The honorable member should ask the Minister of Trade and Customs. I also should like an answer to the question. The only reason that I can see is to still further bleed the farmer and wage-earners of the Commonwealth. In the year before the Federal Tariff, 1900, the value of the agricultural implements made in Victoria was £244,544. In 1904 the value of the implements manufactured

arose to £431,476 — an increase of £186,932.

Mr. PAGE.—That does not look very much like declining industry.

Mr. JOHNSON.—It does not. The figures show an increase of upwards of 40 per cent. An industry of that character does not seem to me to call for any special legislation to preserve it from damage from competition. In 1896 the number of hands employed in the agricultural implement trades was 852. In 1904 the number rose to 1,496, showing an increase of 644, or over 43 per cent. That does not look very much like a languishing industry. Of course, the Federal Tariff is being blamed for closing down a number of engineering establishments which rose and had their being at about the boom period. But it is very evident, from an examination of the causes of failure in those cases, that they were due partly to the financial crash of 1893, and also to extravagance and over-capitalization. I may mention, in passing, that a large proportion of the imports under the heading of agricultural implements consist of implements and machinery which are not, and cannot be, manufactured in this country, and should not be taken into account if we are going to be absolutely fair. But those imports are all dumped in by our opponents when they want to make out a case in favour of special legislation for the purpose of bolstering up existing monopolies in Victoria. In 1903 the total value of imports of agricultural implements amounted to £240,710, and of this sum £91,537 covered the value of reapers and binders which are not made in Australia. Another large proportion of the value of these imports includes grain mills, which are not made to any extent here, but which are extensively used, and for which there is an increasing demand. As they are not classified separately in the returns, it is impossible to estimate the actual value of imports under this head. Traction engines and other machinery also are included, for which English makers have established a world-wide reputation for special excellence and economy of cost. In the same period, so far from imports increasing to such an alarming extent as to seriously interfere with home production, as a matter of fact there has been a great decrease. The figures are as follow:—For the period of ten months ending 31st October the value of the imports from other States in 1904 totalled £11,740, and in

1905 £17,000. These figures show an increase of imports from the other States, but a decrease is shown in the value of overseas imports. The figures for 1904 are £216,261, and for 1905 only £110,000. The total value of imports under this head for 1904 was £228,000, and for 1905, £127,000, or a decrease for the period of £101,000, equal to 50 per cent. With respect to the actual industrial conditions in connexion with these trades, the evidence, so far from being discouraging, is altogether of a highly satisfactory nature. Of course we know perfectly well that there was a period of depression due to drought and other causes having no connexion whatever with the Tariff. These conditions existed before Federation was brought about, but thousands of men lost their employment under the old Victorian Tariff. In 1890 the number of hands employed in the iron works trade in Victoria was 7,593. In 1892 the number had fallen off to 5,423; in 1893 to 4,419, and in 1894 to 3,536—a total falling off for the period named of 4,057, or upwards of 50 per cent. These figures are supplied by the Inspector of Factories—Mr. Harrison Ord. Since Federation there has been a steady improvement in employment in all the trades to which I have referred. I propose now to deal with Australian harvesters, because that industry has been specially singled out to reap immense pecuniary advantage from legislation of this kind by this benevolent Government, which has always displayed the utmost interest for the advancement of the monopolistic manufacturing industries established in and around Melbourne. It is a significant fact to which I wish to draw attention that the present Minister of Trade and Customs has always had a most tender regard for the interests of Victoria as against the interests of his own State. If the electors of that State could only make a present of him *holus bolus* to Victoria it would be one of the best things that could happen to New South Wales. One of the honorable gentleman's especial pets is the Sunshine Harvester Company of Victoria. This is one of the industries which is said to be suffering most seriously from the effects of the Tariff, and from foreign dumping, and to assist which we are asked to pass the Bill now before us. What are the facts in connexion with this industry? It is well known that Mr. McKay sells the Sunshine Harvester abroad to the foreign farmer at a price considerably below that

for which he sells it to the Australian farmer. The cost of the Sunshine Harvester to the foreign farmer is only £72, whilst the Australian farmer has to pay £81 for it, a difference of £9, when he pays cash. The difference is much more if he wants credit. I take it that the Sunshine Harvester firm, who have to pay freight, insurance, and other charges on machines exported, do not sell them abroad at a loss. If they can make a profit by selling to the foreigner at £72, it is clear that they charge the Australian farmer at least £9 more than he is entitled to pay for every harvester they sell him. £81 is the price that the Australian farmer has to pay when he pays cash. When he pays on a system of extended payments, the price of the harvester is raised to from £85 to £99, according to the length of the period for which he wants credit. When we consider the cost of manufacture of these harvesters, we can form some approximate idea of the enormous sums annually netted by the Sunshine Harvester people from their industry, under the operation of the existing Tariff. According to an estimate published. I think in the *Argus*, some time during last year, and made upon a statement which Mr. McKay gave to the Tariff Commission in sworn evidence, the manufactured cost of a Sunshine harvester works out in this way: The cost in wages, at the rate of from 8s. to 11s. per day to the operatives employed, was estimated at £11 2s. 10d. The cost of distribution, &c., was estimated at £21 17s. 4d.; cost of material at something like £26; and charges coming under the heading of factory burdens were estimated to amount to £3 14s. 3d. This brings the total manufactured cost of a Sunshine harvester up to £62 14s. 5d. I forget the exact circumstances, but if my memory serves me some exception was taken to the accuracy of these figures at the time they were published. Against that I must point out that it was subsequently explained that the figures and percentages supplied by Mr. McKay himself were taken as the basis of the calculation. I believe that Mr. McKay worked them out to a somewhat higher total, and estimated the cost in wages to amount to £14 3s. 8d., instead of £11 2s. 10d. The other figures were not disputed, and all the figures were subsequently, I believe, found to be substantially accurate. Taking Mr. McKay's estimate of

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the cost of wages, however, viz., £14 3s. 8d., and adding the cost of material, £26, which I believe he does not dispute, and the cost of distribution, £21 17s. 4d., we get a total of £62 1s. as the manufactured cost of a Sunshine harvester. The price of the machine to the Australian farmer is £81 cash, whilst the cost of production upon the latter basis is £62 1s., leaving a clear profit of £19 on every harvester manufactured and sold. Calculated on the percentages given in Mr. McKay's evidence, the average wages work out at about 37s. per week to those employed in the industry, although Mr. McKay claims that the average wages paid amount to £2 per week. The figures which he supplied to the Tariff Commission do not bear out his contention in this respect. What Mr. McKay makes annually out of his profits is not definitely known, because, although he is always whining, he will not allow his books to be inspected, but it is known that the output of harvesters by the firm is about 2,000 a year, and if we estimate the profit on each harvester at £18 instead of £19, it is clear that the profits which Mr. McKay makes from the manufacture of Sunshine harvesters alone amount to something like £36,000 a year. I contend that a man who can show a profit of £36,000 a year from the operation of an industry of this character has no reason to complain, and has no right to come to this House to ask that he should be protected from the competition of others for the purpose of still further entrenching himself in a monopoly which he has enjoyed for so long with so much advantage to himself, and at such a heavy cost to the producers of this country. Referring to the conditions of trade here, I may perhaps be permitted to quote a statement which appeared in the *Argus* of the 8th November last, in the report of an interview with representatives of Messrs. Thompson and Company, an engineering firm, whose works are situated at Castlemaine. I propose to quote, also, from the representatives of another firm, Messrs. Roberts and Sons, of Bendigo. This is the statement which appeared in the *Argus* at the latter end of last year—

One of the marked features of the trade since the financial crisis of 1893, which sealed the doom of big over-capitalized and badly-managed concerns, has been the increase in number, both in Melbourne and the country centres, of small well-managed undertakings, and the remarkable rise of two or three of the

larger enterprises in the provinces, notably Messrs. Thompson and Co.'s engineering works at Castlemaine, and Messrs. A. Roberts and Sons' at Bendigo. It is like a whiff of wholesome country air to learn at first hand what these firms are doing.

Messrs. Thompson and Co. have 300 hands engaged; they are working night and day, and orders are coming in just as fast as they can be profitably dealt with.

"We specialize on mining machinery and pumps; but do other work as well," said Mr. J. S. Thompson. "For many years we have secured the tenders for the railway points and plates used throughout the State. At present nothing is being done in this line, but it will come again. In the meantime, we have plenty of other work to engage our attention. We receive orders from all the other States of the Commonwealth. Even Borneo and other Eastern countries send us orders. The Federal Tariff has not injured us. On the contrary, the freeing of Inter-State trade from restrictions has been a gain. We put little faith in Tariff assistance. The point of view we take is that if we cannot compete against all-comers there will be no strength or stability in our trade. Our enterprise began 28 years ago with eight men, in a little shanty. The works now cover five acres, and we still want room. We employ 300 persons, and we are kept fully employed year after year. Our trade is growing all the time. We have kept up to date in methods, tools, and appliances. The railway track runs into the works. We generate the electricity for lighting, compressed air is used in working cranes, tools, and appliances all over the place. No detail which will cheapen production is overlooked. Our men, too, grow up with the business, and give us no trouble. There is not the unrest and agitation which appear to exist in large centres, and this is a great gain, both to employers and employés in important enterprises."

In the face of a statement of that kind, by a Victorian firm of undoubted repute, it is monstrous for the Government to propose a Bill of this character to deal especially with trades of the description to which I have just referred. The firm has shown that it has done excellent business, that its trade has given good results, and has been in every way satisfactory, and that it has been able to pay good wages. Then Messrs. Roberts and Son, of Bendigo, have a similar story to tell. In 1895 they had sixty men employed. Last year they had 190, and it was the best for business they have ever known, though their work is almost exclusively confined to Victoria. They specialize in mining machinery and steam boilers of all patterns and sizes, and draw orders from all parts of the State, all the orders in hand but one at the time the report was made being from places outside Bendigo. The secret of this firm's success is that all the members of it are practical workers. Forty

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years ago the late Mr. Abraham Roberts began with a small blacksmith's business; then he put up a moulding shop, and by slow degrees added to the tools and appliances as the business grew. Pluck, enterprise, and self-reliance have enabled the firm to hold their own against all competition. They have an up-to-date boiler-making plant, and claim that they can turn out boilers as cheaply and as durable as in the heart of the Black country, the home of boiler-making in England. There is no complaint from Messrs. Roberts of injury to their business from low duties. They direct attention, however, to what looks like excessive shipping freights on boilers to Iner-State ports. They state that a recent quotation for carrying a 15-ton boiler to Port Adelaide was £87 5s., and that the rates from Melbourne to Perth are two-thirds greater than from London to the same port, and are thus a handicap on Inter-State business. This firm also states that it has had no trouble with its employés, who are perfectly satisfied with their rates of wages, and the conditions under which they work, so that there has been no friction of any kind. Here is another industry which, instead of affording evidence of the need for State coddling or interference, shows that it is in a thoroughly robust condition, being increasingly successful year after year, so that it only desires to be let alone to continue to flourish. I wish now to refer to another aspect of the question, and that is the cost to which the country is put by legislation of this character. A Bill of this kind is intended to keep up the price of articles to purchasers at abnormal rates. The public are not to be considered in the slightest degree, but are to be called upon to pay the highest prices for the various goods which they have to buy, whether these have been imported or have been manufactured locally. I maintain, however, that it is no part of the business of a Government or of a Parliament to interfere in matters of trade or commerce, except to prevent unfair practices, such as the adulteration of food or the importation and sale of goods under fraudulent conditions, such as misdescriptions leading purchasers to think that they are buying something which they are not. Attempts to regulate prices and to prevent competition are not within the province of Government interference, and the only result of such attempts must be that the public must suffer. The public suffer in two ways — first, by

having to pay very high prices; and, secondly, by getting only inferior articles. To show the extent to which the public have had sometimes to pay for preferential treatment of local manufacturers, I shall make a comparison in connexion with the prices paid for iron pipes in New South Wales during a period when the present protectionist Minister of Trade and Customs was Secretary for Public Works in that State. Tenders were submitted by Messrs. Burns, Philp, and Co. for the supply of English-made pipes, while other tenders were submitted by local manufacturers. The cost at which Messrs. Burns, Philp, and Co. were ready to supply 4-in., 6-in., 10-in., 12-in., and 15-in. pipes was £6 1s. 9d. a ton; whereas the colonial price for 4-in., 6-in., and 8-in. pipes was, for a first period of five years, £7 2s. 6d., for a second period of five years £6 9s., and for a third period £8 12s.; while, in the case of 10-in., 12-in., and 15-in. pipes, the price charged was £7 12s. for the first five years, £6 14s. 6d. for the second five years, and £8 15s. for the third five years. It must be remembered, too, that Messrs. Burns, Philp, and Co. received an order for only 6,843 tons of iron pipes, which was a smaller order than any given to the local firms. Tenders were also called for special castings, and £9 9s. 9d. per ton was the price asked for imported castings, while the price asked for locally-made castings was £9 17s. 6d. a ton for the first period of five years, £9 9s. a ton for the second period of five years, and £14 12s. 6d. a ton for the third period of five years. Moreover, while the English pipes were found to be quite sound after forty years use, and had required no repairs during that period, the locally-made pipes had fractured sixty or seventy times, each break costing from £50 to £100 to repair, while hundreds of pounds had also to be expended in strengthening them with iron bands. I have no objection to preference being given to local tenderers over outside tenderers if they can give as good a service, or as good an article, for the price asked by the outside tenderer who is quite sufficiently handicapped with the cost of freight, customs, and insurance, but it is little short of a criminal action for the custodians of the public purse to give a preference which means unnecessary loss and expense to the taxpayers of the country. I could quote many more figures, but I think

I have sufficiently shown that no advantage would be conferred upon the people of the Commonwealth by legislation of this kind. The only persons who would benefit would be such local firms as already enjoy a monopoly. They would be enriched at the expense of the general community. I decidedly object to anything of that kind. It was pointed out by the honorable member for Perth that it would be necessary to examine the books of importing firms in order to ascertain the commercial value of imported articles. As I take it that the complaints against the competition of importers will probably invariably come from local manufacturers, I hold that if the books of importers are to be examined those of the local manufacturers should also be open to inspection. This cannot be too strongly insisted upon. Some time ago an effort was made to induce certain local manufacturers to throw open their books for inspection, with a view of verifying certain statements given in sworn evidence before the Tariff Commission. Some of the firms were ready to comply with this request provided that the Sunshine Harvester Company, which was making the loudest outcry, would agree to follow that course. That company, however, absolutely refused to entertain the idea. Any firm that has a grievance arising out of foreign competition, and applies to Parliament for assistance, should be prepared to submit its books to a searching examination.

Mr. ISAACS.—The Bill gives the fullest power to the Board to do anything of that kind with regard to either importing firms or local manufacturers. If the honorable member will look at clause 17 he will find that the Board is empowered to inquire into any matters whatever that they consider pertinent or material.

Mr. JOHNSON. — If the clause is adopted in its present form, I trust that that power will be brought into operation, and that we shall have ample means of ascertaining the truth or otherwise of the statements made by persons who say that their industries are languishing, and that legislation of this kind is necessary. Figures have been produced which tend to show that the Sunshine Harvester Company, so far from suffering severely from foreign competition, is making enormous profits—upwards of £30,000 per annum—under the operation of the Tariff. If this be true, the company should not come crying to this

Parliament for assistance. When the last Bill of a similar character was before the House, the honorable member for Melbourne Ports said that the object was to destroy foreign trade. I do not know if that is the intention of the Government, but the measure, if passed in its present form, must, to a very large extent, destroy all trade with parts beyond the Commonwealth, including Great Britain. I would point out that if this result were brought about it would involve the displacement of a large number of wharf labourers, coal miners, sailors, carters, warehousemen, shipping clerks, Customs officers, and many others who are engaged in occupations more or less dependent upon our shipping and commerce. I would ask honorable members to consider this aspect of the question, when they contemplate the strangulation of foreign trade. Whilst the Minister of Trade and Customs was speaking in support of the motion for the second reading of the Bill, it was asserted by the honorable and learned member for Werriwa that the shares in a locally formed steel trust had jumped up to a high value, owing to some promise made by the Minister. The Minister stated that he knew nothing about any promise, and the honorable and learned member for Werriwa retorted that the Minister must have made a promise, or, otherwise, the shares in the trust would not have increased in value from £250,000 to nearly £2,000,000. I do not know whether the facts are as stated by the honorable and learned member, but, as he is not in the habit of making rash and unfounded statements, I think that some explanation is due to the House. I do not imply that anything improper has been done, but I think that we are entitled to know in what way the Minister's action has operated to produce the result indicated. If any reliance is to be attached to the statement of the honorable and learned member for Werriwa, some members of the community must be making huge sums of money at the expense of the general taxpayer. All this goes to show how dangerous it is to interfere with trade in such a way as to cause fluctuations in the market. It always tends to engender suspicion in the public mind that there is a pecuniary advantage for people in high places in such legislation. The Prime Minister stated that the intention of the Bill was to protect the manufacturer, the employé, and the public. I should like

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to know in what way it can protect the public. If the object is to prevent goods from being sold at low prices, I cannot understand how the general public are to be benefited. The only persons who will derive any advantage will be those engaged in local manufactures. We cannot benefit the consumer, by legislating in the direction of making him pay more than, in the ordinary course of competition, he would be required to give for his goods. If goods were dumped into this country and sold at below cost, the general public would not suffer. Those who sent the goods here to be sacrificed at less than the cost of production would be the losers. The ladies who throng round the bargain counters at sale time do so because they believe that they will receive some benefit. They think that the purchasing power of their money will be increased to an extent corresponding with the reduction in the prices at which the goods are offered, and they are right. If goods were dumped here and given away the general public would not be injured. This would apply to agricultural implements, pianos, sewing machines, or any other class of goods. The lower the prices at which goods are placed on the market the better for the consumer. If it became the practice of importers to give away goods they would open up a royal road to wealth which would not be available under any other conceivable circumstances, to every one of their customers whatever might happen to themselves. The Bill contains a number of clauses which will require very drastic treatment in Committee. Clause 4, which deals with the repression of monopolies, reads as follows:—

1. Any person who wilfully, either as principal or as agent, makes or enters into any contract, or is a member of or engages in any combination to do any act or thing, in relation to trade or commerce with other countries or among the States—

- (a) in restraint of trade or commerce to the detriment of the public; or
- (b) with the design of destroying or injuring by means of unfair competition any Australian industry the preservation of which in the opinion of the jury is advantageous to the Commonwealth, having due regard to the interests of producers, workers, and consumers,

is guilty of an indictable offence.

This sub-clause is extremely wide in its application, and covers an area which I think its framers never contemplated. It

refers, not to corporations or trusts or combines, but to individuals. "Any person" who wilfully commits any of the acts named will be guilty of an offence. As the honorable member for Perth has pointed out, these words may apply to a member of a trade union or of a protectionist or any other political organization. Let us take, for instance, the case of a person engaged in the hat-making industry, and desiring to prevent the importation from abroad of hats that will come into competition with his own production. With that object in view, we will assume, he takes steps, either directly or through an agent, to restrain trade by means of a proposal that the Tariff shall be raised to curtail these importations. I take it that under this clause he would be guilty of an offence.

Mr. ISAACS.—Would a proposal to alter the Tariff be a contract?

Mr. JOHNSON.—The sub-clause provides that any person who "enters into any contract" to do these things shall be guilty of an offence. It may not necessarily mean entering into a written contract. It may mean a mutual arrangement or understanding.

Mr. ISAACS.—The person concerned must have entered into a contract or have become a member of a combination.

Mr. JOHNSON.—A man might enter into a contract with a member of the Legislature to bring forward a measure to amend the Tariff.

Mr. ISAACS.—Is not that rather thin?

Mr. JOHNSON.—Not at all; such a thing might be done; such things are being done continually. A defect or a grievance is brought under a member's notice, and he agrees to endeavour to remedy it by Tariff or other legislation. Is that not in essence a contract to do a certain thing? We shall have to define the word "contract," because a contract might mean an agreement or arrangement made by an individual to secure the imposition of a duty to restrict the importation of goods coming into competition with those of his production. I can conceive it possible that under this clause such an agreement would be an indictable offence, just as would a combination among trade unionists to keep up the rates of wages or to secure special privileges in any industry in which they are engaged. I do not know whether it is intended that the clause shall have such an application, but the Attorney-General might well consider

whether it is not capable of that interpretation. Clause 7 provides that—

Any person who wilfully monopolizes or attempts to monopolize, or combines or conspires with any other person to monopolize, any part of the trade or commerce with other countries or among the States, with the design of controlling, to the detriment of the public, the supply or price of any merchandise or commodity, is guilty of an indictable offence.

I do not know whether this provision will apply to Mr. McKay's monopoly, but I sincerely hope that it will.

Mr. MCWILLIAMS.—The honorable member need not worry about that.

Mr. JOHNSON.—If I thought the clause would apply to it I should be inclined to support it. Clause 13, which deals with dumping, sets forth that—

Unfair competition has in all cases reference to competition with those Australian industries, the preservation of which, in the opinion of the Comptroller-General or the Board, as the case may be, is advantageous to the Commonwealth, having due regard to the interests of producers, workers, and consumers.

Then, in clause 14, we have the provision—

For the purposes of this Part of this Act, competition shall be deemed to be unfair if—

- (a) under ordinary circumstances of trade it would probably lead to the Australian goods being either withdrawn from the market or sold at a loss unless produced at a lower remuneration for labour; or
- (b) the means adopted by the person importing or selling the imported goods are, in the opinion of the Comptroller-General or the Board as the case may be, unfair in the circumstances.

The honorable member for North Sydney dealt fully with these clauses, and, while I do not intend to repeat his criticisms, I may say at once that I am thoroughly in agreement with them. I recognise the very serious danger we should run in allowing such powers to be exercised by the Comptroller-General or a Board of his creation, or that of the Minister of Trade and Customs. I should like now to draw attention to sub-clause 2 of clause 15, which provides that—

The certificate of the Comptroller-General shall specify the imported goods and the Australian goods referred to, and the person whom he believes to be importing goods with the intention aforesaid.

3. Thereupon the Minister may—

- (a) appoint a Board of three persons to investigate and report upon all matters of fact material to the question whether the goods are being imported with the intention aforesaid; and

(b) notify in the *Gazette* that a Board has been so appointed for the purpose of the said investigation and report.

Clause 15 practically makes the selling of imported goods at a price below their market value a crime. It is thus proposed to manufacture a new crime to be added to a number of acts which are not, properly speaking, criminal, but have been made such by legislation—acts which in essence are perfectly innocent and fair, and should not be dealt with in this way. The provision in sub-section (a) of this clause is one to which I most strongly object. It relates to the appointment of a Board of experts, who might be peculiarly susceptible to the influences of bribery and corruption. I can conceive the possibility of our obtaining men of high character who would not be open to such influences; but, taking human nature on the average, there is a very strong probability that a Board of this character would be susceptible to such considerations. This is certainly offering every incentive to those who wish to bring such a Board into operation to make it worth the while of that Board to give a decision that will be to their pecuniary advantage. We should not place such a power for bribery and corruption in the hands of either a Minister or a Comptroller-General. The power should rest with the Parliament alone; but if the Legislature deems it wise to relegate its powers in this connexion to some person outside, a Judge of a Supreme Court should be selected to deal with these matters. We certainly ought not to have such a Board as is contemplated. At the best, its members would be only the creatures of the Minister appointing it. Taking human nature again as the stand-point of our criticism, it is reasonable to believe that a Minister might designedly select as members of the Board men who were biased, and could be relied upon to give a decision in a certain way. The power thus proposed to be placed in the hands of a Minister is a tremendous one, which might or might not be used corruptly; but, having regard to all the circumstances, it would be likely to be used corruptly than otherwise. For these reasons, I have a very strong objection to this clause, and trust that it will be radically amended in Committee. Speaking generally, I think the Government have made a mistake in introducing the Bill at all, but especially at the present juncture. They have shown no reason for doing so, and

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I strongly urge them to postpone its further consideration until we have had an opportunity to read and digest the reports of the Tariff Commission, and so to learn what justification, if any, there is for its introduction. I intend to vote against the second reading of the Bill.

Mr. KELLY (Wentworth) [6.12]. — I rise, Mr. Speaker, not to exercise my right to speak to the motion "that the Bill be now read a second time," because I cannot be in the House immediately after the adjournment for dinner, but to suggest that, in the circumstances, the Government might reasonably be expected to give the House some further information.

Mr. SPEAKER.—The honorable member will be held to have exercised his right to speak to the motion if he proceeds.

Mr. JOSEPH COOK (Parramatta) [6.13].—Judging by the slight interest that appears to be taken in it by the members of the great party which supports the Government, one would imagine that this Bill is of absolutely no concern to the people of Australia. There has been on their part, so far, a conspiracy of silence concerning a measure which affects the whole of Australia and its industries as no Bill introduced either in the Federal or any State Parliament has ever done before. This is without question the most important measure that has ever been introduced in this House, and in the circumstances we might reasonably ask that there should be a quorum to listen to what is said concerning it. [*Quorum formed.*] It is remarkable to me that honorable members seem to take very little interest in a question of this kind.

Mr. WATSON.—Why does not the honorable member bring his friends in; his benches are empty?

Mr. JOSEPH COOK.—So far to-day, the Opposition have been conducting the discussion. It occurs to me that those who take an interest in a measure of this kind ought to be those who profess to take under their wing and under their charge outside the House all matters relating to industries and industrial life, and who want to take a very short cut to bring about an industrial Elysium. One would think that these honorable gentlemen inside this Chamber would at least pretend to make some study of a Bill of this kind, and take some part in a thorough discussion of its provisions.

Mr. RONALD.—A thorough discussion!

Mr. JOSEPH COOK.—I admit that when it comes to a thorough discussion of

any question, we do not look in the direction of the honorable member. I have had no time in which to collect my papers, so as to be able to address myself to this question as I should like to do; and it was only when the debate seemed to be on the point of collapsing that I rose to continue it. I am labouring under some disadvantage, as I have outside the House some information which I wish to use. However, as there appears to be no possibility of getting it, I must proceed. In the first place, I join with those honorable members in the Chamber who have made a protest against proceeding with this Bill until the Tariff Commission shall have reported on metals and machinery. At the close of last session there was a tacit understanding in the House that that should be done. It was anticipated that the Tariff Commission would be able to report during the recess, and the understanding was that this matter should be left over, not only because of the lateness of the time when it was introduced here, but because that body was sitting and collecting evidence concerning some of the industries at which this Bill is particularly directed. It was well known, in fact, that the genesis of the Bill had to do with the importation of harvesters. That matter has, I believe, been fought out before the Tariff Commission, and if it has not already reported it is now in a position to do so, with a full knowledge of how importation bears upon the question of agricultural machinery production here. Since the Governor-General appointed that Commission, especially to investigate the doings of the harvester trust and every other trust, both here and elsewhere, which has controlled, or controls, the importation of metals and machinery in any shape or form; since my honorable friends took that responsibility, they have no moral right, in my judgment, to proceed with the discussion of this measure pending the receipt of a report from that body. I do not understand the marvellous celerity which the Government is displaying in bringing this matter before the House.

Mr. KENNEDY.—It was stated last session when the Bill was abandoned that it would be the first measure of this session.

Mr. JOSEPH COOK.—I know that, but where is the foundation or justification for such a statement. The justification is not apparent from any figures which have been presented to us. One of the things

I asked the Minister to do the other day was to supply some figures concerning the importation of these harvesters, and the importations which the Bill is intended specially to meet. He professed to reply to my request for information, but what was the nature of his reply? It is true that he gave some figures, but they did not touch the point I raised, as they merely related to ordinary importations into the country. They were such figures as we have been accustomed to be deluged with when we have been considering any matter relating to the Tariff. What I wish to have, and what I think the House ought to be in possession of, is a statement showing whence the danger arises from the operations of foreign trusts. This Bill is supposed to be intended to meet some menace to Australian industries and workmen. Where are the evidences of that menace? Surely they can be tabulated in figures; surely we can be shown that these importations are on the increase if they are increasing. But all the figures submitted, so far, by the Minister, show that in the last two or three years there has been an actual decrease in the importation of metals and machinery. From £8,000,000 in 1903, the importation of these articles went down to a little over £6,000,000 last year. These figures do not show that any other menace has arisen than that to which we have been subjected in past times. There is nothing fresh to show that these foreign corporations are crushing out Australian makers of implements and workmen, to indicate that anything special has arisen to warrant drastic legislation of this kind. With regard to harvesters, instead of giving the figures for several years as the Minister did in the case of metals and machinery, he simply quoted the imports for last year only. These figures, I submit, disclose nothing that is alarming even in connexion with the matter of harvesters. The honorable gentleman showed that last year we imported £85,000 worth of harvesters. How are we to see what that has to do particularly with the maintenance of Australian industries? Why does not the Minister give us the figures for a period of six or seven years, so that we could make a comparison with a view to seeing whether a menace has arisen which the Government purport to meet by means of this Bill.

Mr. KENNEDY.—Six years ago there were no importations of harvesters.

Mr. JOSEPH COOK.—Since then the importation of the machine has taken place,

and if there had been no quarrel between McKay and the other harvester trust people the probability is that we should never have heard of this Bill. I do not think that there will be any two thoughts about that in the House. I have yet to learn that any one or two individuals outside may so pull the political strings, and manipulate a Ministry as to lead it to introduce drastic measures of this kind into the Parliament of Australia. Everything points to the necessity of further information being supplied to the House concerning the depredations, if any, of these trusts; we ought to be shown what further justification there is for drastic legislation of this kind. That can only be furnished to the House authoritatively, and with all the facts and circumstances surrounding the statistics, by the Royal Commission which was specially set to inquire into them. We have had already a protest on this very point from a member of the Tariff Commission. I have never seen a Tariff Commission treated so scurvily as that body has been by the present Government. It has set the Commissioners aside, and flouted them time and again. Here is another instance of this treatment. Instead of waiting a few weeks or asking them to facilitate their report on this particular matter, no notice was taken of their proceedings or apparently of the fact that they are making a special investigation thereon. I think that, even now, the Ministry might well consent to postpone the consideration of this Bill until the Tariff Commission has reported, and the House is therefore in possession of all the facts and figures bearing on this important question. The Minister supplied the imports of iron, metal, and machinery. We have had those figures almost *ad nauseam*, time and again, in connexion with general Tariff matters. He also supplied some figures about tobacco, but there, again, the information was only such as had been supplied in an ordinary Tariff debate. We have a right to know whether these trusts are interfering with Australian manufacturers, and threatening the total collapse of many of those industries to which we all would greatly regret to see any injury come, and which we all, I think, should do our best to see are given every proper chance to compete and to prosper.

Sitting suspended from 6.28 to 7.30 p.m.

Mr. JOSEPH COOK.—There is nothing, I repeat, in the figures presented to us by the Minister of Trade and Customs to furnish

the slightest warranty for the introduction of this Bill. According to the Minister's own statement, the total value of the harvesters imported last year for the whole of Australia was £85,000.

Mr. SKENE.—That represents about 1,300 machines.

Mr. JOSEPH COOK.—I do not know how many it represents; but, if we take the statistics of the farming population of Australia, those importations amount to about 7s. 6d., or including all agricultural implements, about 30s. per farmer for the year.

Mr. WATKINS.—Did the Minister give figures concerning the number of machines made in Australia?

Mr. JOSEPH COOK.—No; but Mr. McKay himself has furnished some data by which we may ascertain that. I find that Mr. McKay, in his evidence before the Tariff Commission, said that his works turned out harvesters at the rate of about ten per day. That would mean, roughly speaking—supposing he works full time—about 3,000 machines per year, and the value of them would be about £250,000. We may, therefore, say that, all our local makers are turning out £300,000 worth of harvesters per annum, as against £85,000 worth imported. So far as I am concerned, I could heartily wish that we were producing them all. I would not mind if Mr. McKay could beat the importer right out of the market, so long as he does it fairly. "More power to him!" I should say. But the figures furnished by the Minister show no overwhelming menace to the interests of Australia such as should lead to the introduction of a Bill of this kind. I should like to make one other observation before entering upon the consideration of the Bill. It is an observation of protest against the Bill taking precedence of the question of Tariff revision. Reports have been laid upon the table ready for the House to proceed with them. Others, I believe, are in course of preparation, and are approaching a state of completion. Yet this Bill is thrust before attempts to rectify Tariff anomalies, and to deal with those matters which have been declared by the Prime Minister to contain so much menace to our Australian industries, and in particular so much menace to those who are wanting work and are unable to find it. I should like to know from the Prime Minister what he contemplates doing in this matter of Tariff revision?

From end to end of the Commonwealth he has been preaching the doctrine that at the earliest possible moment we ought to attend to our imperfect Tariff, and make it more perfect in the interest of those who manufacture here. Is he saving this—shall I call it this fiscal apple of discord?—for the elections? It is too good a thing to throw away upon a moribund House like this, waiting only to be dissolved? Is he going to make this the first and only plank in his platform? I charge the Prime Minister now with trading upon this matter of Tariff revision for purely political and personal ends. If he is sincere about it—if he wants these anomalies rectified—why not proceed at the earliest possible moment with the consideration of the reports of the Commission? Why not get this matter placed upon a proper footing as early as possible? But, as I have already said, it is far too good a thing to let loose at the present moment, and it has to do duty at the next election as a battle-cry, in order to get the Prime Minister and his followers back to this House, in conjunction with the Socialist Party of Australia, who are moving heaven and earth to achieve that end. Ministers ought to give some explanation as to the supreme haste with which they are proceeding with this Bill, and the extreme dilatoriness with which they are dealing with the matter of Tariff revision and Tariff settlement. With regard to the immediate question before the House, I do not propose to deal with the details of the measure. They have already been ably traversed by the honorable member for North Sydney; and there is no man in this Chamber who can address himself to a question of this kind with so much business experience, and with so much ability to use that experience, and to bring it to bear upon the consideration of these difficult and important matters, as that honorable member does. I think I do no injustice to any other honorable member when I say that he appears to stand almost alone in this respect. I, therefore, shall not trouble so much about the details of this measure. I wish to address myself to its main and fundamental principles; to see how this Bill is affected by a consideration of the principles of trade “trustification”—if I may use a term coined the other day by the Prime Minister—to see how far those fundamental principles are

contravened by this Bill, and to try, if possible, so to shape the measure as to make it accord with such principles as appear to have the force and effect of natural laws. It will be admitted, I think, that we are living to-day in a peculiar era. While those natural laws which sweep through the world, and have to do with everything mundane, are unchangeable, their application is of a very multiform character, and is constantly varying with the changing needs and moods of the moment and of the times. All our old customs, and methods of thought, have to be brought face to face with the sweep of those great natural laws. And it does seem, looking over the world just now, as if, the more need there was to pay attention to these natural laws, to try to understand them, the more readily and the more peremptorily it is sought to set them aside entirely. All that we seem to trust to nowadays is what is expedient for the passing hour. But whether we like it or not, these natural laws will in the long run be obeyed; and if Parliaments or individuals seek to subvert them, or to run contrary to them, so much the worse for the individual, and so much the worse for Parliament. Yet in spite of this great fact, we seek to rear our puny legislative enactments from time to time against them as if we could in some way alter the whole scope and purpose of their intent and change their course altogether.

Mr. FOWLER.—That is a magnificent Anarchist utterance—natural law with no modification at all by human intelligence!

Mr. JOSEPH COOK.—I, of course, made no such foolish remark. I hope the honorable member will wait until I am through, and will then judge whether I seem to be Anarchist or not. The fundamental principle of this Bill, as I take it, is that all commercial trusts are bad. That is the first thing that I find fault with in the Bill. It makes no distinction between trusts. It makes no inquiry into them as to whether they are good or not. It indicts them all as trusts, good or bad. There, I think, the framers of the Bill make the first great fundamental mistake. What are these trusts but simply the embodiment of the spirit of concentration which is abroad. All the currents of the time seem to run towards centralized control and centralized operation. I do not know whether this

tendency can be avoided or not. I am afraid it cannot. Because the whole world just now seems to be moving in that direction. Every current, social, political, and religious, seems to be trending in the one direction—that of centralized control, and large, capable management. It is said, for instance, that the day of small empires has gone. At any rate, empires seem to be growing larger in extent and in authority, and small empires are becoming rapidly a thing of the past. We may be told that that can be checked or altered. But there is the broad fact—it is going on at present all over the world, wherever we care to turn our eyes, and it applies to almost every department of human life. What is the direction of thought in connexion with our churches? Clearly and unmistakeably towards union. Larger churches are absorbing smaller ones. We find this tendency operating in the industrial world as it operates in every other department of life in its social, religious, moral, and industrial aspects. When we find a law operating in that way, it is, at any rate, very good evidence that it is a natural law which inheres in the very structure of things, and which is unalterable and ineradicable by any mere human effort. We find the same tendency operating in relation to many other matters. For instance, the wealth of the world has a tendency to concentrate itself. We find the realm of finance limiting itself to definite and clearly-defined areas. The same thing applies to the world's fashion. It is a common saying that one has to go to Paris for latest fashions. It applies to printing. Nearly everything has this tendency to concentrate itself in some particular locality where it may find its most advantageous scope. The same law applies to wealth, to science, to art, and to industrial production. What are our great educational institutions, our universities? What are they but great educational trusts, where every species of learning is highly specialized, and where the greatest possible educational achievements are arrived at only by the process of specialization? Our universities do in the matter of education what the lower schools could not possibly do, because they have these means of specializing learning and collecting it all under one central control or management.

Mr. BAMFORD.—That is what we are fighting for.

Mr. Joseph Cook.

Mr. JOSEPH COOK.—If the honorable member is fighting for that I shall be glad to hear him say something in criticism of this Bill, which I am afraid will in no way contribute to that end.

Mr. CARPENTER.—It is an outside affair that we are dealing with.

Mr. JOSEPH COOK.—Do I understand that the party to which the honorable member for Fremantle belongs is in favour of this Bill?

Mr. CARPENTER.—The honorable member will find that out when the vote is taken.

Mr. JOSEPH COOK.—I always understood that the fundamental principle of that party was the taking over and nationalization of the operations of these trusts, and not their regulation, control, or supervision.

Mr. HUTCHISON.—According to the honorable member's argument the nationalization of these industries would be a good thing, because it would lead to more centralization and more specialization.

Mr. JOSEPH COOK.—I am afraid that we shall part company shortly. I am pointing out now what seems to be the operation of a great natural law as applied to our industrial life. I am as free to admit the operation of such laws as is any member of the Labour Party, and I differ from that party only as to what is the best way in which to treat these great corporations. I believe this principle of concentration, or co-operation, shall I say, to be a great natural law. The question arises: If it is such a law, ought we to attempt to repress it? Can we do so if we try? When we have tried our best, we shall, I fear, find that all our puny legislative efforts have not enabled us to do so. But ought we to try to suppress these natural laws, or ought we not rather to attempt to guide or control them, and to get them to operate in our way, and bring to us all the advantages which they are capable of conferring?

Mr. CARPENTER.—A natural law should take its course, and should not be controlled.

Mr. DUGALD THOMSON.—Does the honorable member think that we do not require lightning conductors?

Mr. JOSEPH COOK.—I am afraid the honorable member is not following me. A natural law will take its course inevitably, but we can control and guide its effects upon ourselves. That is the point I wish to make. This is a proposal for trade repres-

sion. That is the title of this Bill, which is a Bill to suppress what are called "destructive monopolies." The only place in which there is any mention of the word "destructive" is in the title of the Bill. There is nothing in the clauses of the measure to suggest what its title so clearly indicates.

Mr. JOHNSON.—There is no definition of the word "monopoly," either.

Mr. JOSEPH COOK.—As bearing upon this matter, I do not think I can do better than quote a few words of the President of that great country where these trusts are operating to-day. Dealing with this matter in a message which he addressed to Congress a little while ago, President Roosevelt said distinctly that these trusts were part of the natural order of things, that the most they could do would be to eliminate their abuses, and that in no circumstances should they attempt to deal with them in any other than a regulative fashion. Speaking of the efforts which had been made in the various States from time to time to control the trusts, he went on to say—

Dealing with the important question of corporations, it is an absurdity to expect to eliminate the abuses of any of the great corporations by State action. The National Government alone can deal adequately with them. To try to deal with them in an intemperate, destructive, or demagogic spirit would, in all probability, mean that nothing whatever would be accomplished, and with absolute certainty that if anything were accomplished it would be of a harmful nature.

I am inclined to think that this Bill comes under the category of the measures so heartily and cordially denounced by President Roosevelt. I think it is an intemperate and destructive spirit in which the House is being asked to approach the consideration of this question. At any rate, that describes the spirit in which the Government is approaching it. President Roosevelt pointed out that that is the way not to do things, and that the results of such action would be worse than the condition of things which it is sought to remedy. We find the President of the United States defending trusts as such, for he says—

Great corporations are necessary, and only men of great and singular mental power can manage such corporations successfully. And such men must have great rewards.

This Bill says that if a man has a great reward he should be indicted for it.

Mr. CARPENTER.—How long is it since the President used those words?

Mr. JOSEPH COOK.—They were used in the year before last.

Mr. CARPENTER.—He is fighting the trusts now for all he is worth.

Mr. JOSEPH COOK.—Of course he is fighting them, but in what way?

Mr. CARPENTER.—By legislation.

Mr. JOSEPH COOK.—There is nothing in the legislation which he has suggested which comes under the category of repression of trusts. All he is asking for is drastic powers of investigation, so that in the interests of public health the fullest possible Government inspection may take place. I should imagine that nobody objects to that kind of thing.

Mr. CARPENTER.—He is dealing with trusts in his own country, whilst we have foreign trusts to deal with.

Mr. JOSEPH COOK.—What is the distinction?

Mr. CARPENTER.—The distinction is a very important one.

Mr. JOSEPH COOK.—Does mere locality enter into the consideration of this question? Are they only foreign trusts that my honorable friends are seeking to circumvent by this Bill? Is it not supposed to aim also at Australian trusts?

Mr. FOWLER.—We have Australian industries entering into combination with foreign trusts.

Mr. JOSEPH COOK.—And, as I remarked before dinner, if it had not been that that combination broke up I daresay that nothing would ever have been heard of this Bill. This Bill originated with the complaints of Mr. McKay.

Mr. MAUGER.—Nonsense.

Mr. JOSEPH COOK.—But for him nothing would have been heard of it.

Mr. JOHNSON.—It is the result of a meeting held last November at the instigation of Mr. McKay.

Mr. JOSEPH COOK. — President Roosevelt, speaking of the Bureau of Corporations, goes on to say in his message that this Bureau will inquire into the beef trust. We have heard a good deal at one time and another about these beef trusts.

Mr. THOMAS.—We are hearing a good deal about them now.

Mr. JOSEPH COOK. — President Roosevelt says that this Bureau will inquire into the beef trust, and is to accomplish its purposes by co-operation, not antagonism, by making constructive legislation, not

destructive prosecution, the immediate object of its inquiries. Now the purpose of this Bill is destructive. It is framed to be destructive of trusts as such. There is, therefore, nothing in the attitude assumed by President Roosevelt which can be found to correspond with a Bill of this description. We have heard a good deal from time to time about this Bill following precedents, but there is no indication in it that it follows the latest utterances of the man who is confessedly a good judge in all these matters, and in whose supreme control a great part of the industrial life of America is centred just now. All he says is that the abuses of trusts should be eliminated, and these monopolies approached in a co-operative, and not an antagonistic spirit. He says—

Above all, we must strive to keep the highways of commerce open to all on equal terms.

In this Bill we have an attempt to close the highways of commerce. It proposes to keep them open only on impossible terms, on terms which could not be subscribed to by any foreign manufacturer or worker.

Mr. CARPENTER.—It proposes to prevent trusts from closing the highways of commerce to others.

Mr. JOSEPH COOK.—As I pointed out, the figures show that there are no highways closed at the present time. In connexion with imported harvesters, against which this Bill is specially aimed, the highways of commerce were so open last year that we imported harvesters to the value only of £85,000, whilst Mr. McKay manufactured them to the value of £250,000. I was glad to learn that he is holding his own. But I see in all this no menace to our Australian industries. There is certainly nothing which could not be controlled by Tariff operations, and certainly nothing which calls for a Bill of this drastic character. However, the Bill is here, and I am not going to vote against the second reading; but I say it is a fair challenge to the Government to ask them to prove the necessity for the measures which they bring before the Chamber. I make the challenge for the reason that, while there are many of our legitimate Federal functions yet to be developed, we are still straining and tugging on the marginal line between the States and the Commonwealth to get further and further powers to deal with matters with which we have no immediate concern, and which certainly do not press for solution. Such a mea-

sure was put through this House last session in the shape of the Commerce Bill. I say, therefore, that, instead of legislating on important urgent needs as they arise from time to time in the sane and steady development of our proper Federal functions, we are going out of our way to deal with matters which will bring us some sort of temporary political kudos, and which will contribute in some degree to the purely political issues being raised at the moment by the Government in power. Will any one tell me that had the alliance between the present and the late Prime Minister lasted we should have heard Mr. Deakin calling out for a measure such as this?

Mr. THOMAS.—Why, Mr. Reid would have brought it in.

Mr. JOSEPH COOK.—I am sure that, if he had done so, the honorable member for Barrier would not have supported him.

Mr. THOMAS.—Probably not.

Mr. JOSEPH COOK. — There is no probability about it; it is absolutely certain that the honorable member would not. Coming back to the underlying principle of this kind of legislation, I ask what are these trusts for? We are told that large management is more economical than small management. One management and one board are cheaper and more effective in their operations than are many managers and many boards. We get unity instead of diversity in the control of these great concerns. We get "single and thorough organization, instead of inharmonious variety," as one writer has put it. Or, to use his expression again, "one large wheel means a great deal less friction than a number of small ones, whilst it has a great deal more power and a great deal more momentum." It seems as though these trusts, in some shape or form, are destined to continue, in spite of all we may do to prevent them. If they are simply savers of power, and mean a shorter cut to securing all that we require to satisfy our demands, why should they be suppressed? Why should they be closed up and their operations brought to an end? Their organization is more exact and complete, and their specialization more thorough, than that of smaller concerns, and organization everywhere means force and utility. My friends in the Labour corner have realized, and are to-day realizing that.

Mr. HIGGINS.—And the honorable member's party is realizing that they have the power.

Mr. JOSEPH COOK.—Yes; and we are paying them the compliment of imitation. What applies to the organization of a political party applies to the organization of an industrial concern, and to every aspect of our social and economic life. It seems as if this special and thorough organization, and this large management of which I speak, the world would get a great set-back. This Bill aims at the destruction of this large management as such, without taking into account whether it be fair or unfair. Repression is the key-note of the measure. That word is written in its very title, and appears on its foremost page. The question is, ought these organizations to be repressed? The Government say that they should be repressed, whilst the Socialist says, "No; they should be nationalized."

Mr. THOMAS.—Hear, hear.

Mr. JOSEPH COOK.—I should like to know what the honorable member is going to do with the Bill, since it aims, not at nationalization, but at repression?

Mr. THOMAS. — I prefer nationalization every time.

Mr. JOSEPH COOK.—Is the honorable member, in the absence of nationalization, going to support repression? No other honorable member is more continually pointing out the advantages of co-operative control in industrial life.

Mr. HIGGINS.—Under our Constitution we have no power to nationalize.

Mr. THOMAS.—Then let us get the power.

Mr. WILSON.—If we have no constitutional power to nationalize, why did the Minister of Trade and Customs, in his speech, say that we could nationalize the tobacco industry?

Mr. JOSEPH COOK.—The members of the Government, more clearly than any other members in this Chamber, know that nationalization is impossible under our Constitution. Why, then, have they played the farce of letting loose Commissions to inquire into the possibility of nationalizing various industries? Why did they incur the huge expense attaching to these inquiries, since they knew that nothing could come of them?

Mr. ISAACS.—Who appointed the Tobacco Commission—which Government?

Mr. JOSEPH COOK. — The present Government.

Mr. ISAACS.—No.

Mr. JOSEPH COOK.—A Select Committee to inquire into the tobacco monopoly was appointed by the House when the Reid-

McLean Administration was in power; but that Committee was turned into a Royal Commission by the present Government. Although they knew that under our Constitution we have no power to nationalize industries, the Government and the Labour Party have played the hollow farce of supporting these elaborate inquiries. Every one knows that Socialism is part of the programme of the Labour Party. I do not wish to do them an injustice.

Mr. WATSON.—Hear, hear. We would not believe that.

Mr. JOSEPH COOK.—Well, I talk pretty directly to them; I think that they will give me credit for that. I do not cover anything up; but I would not willingly make an untrue statement about them. It is only fair to them to say that they think that, if they can make out a case for nationalization, they will, later on, successfully appeal to the country for an alteration of the Constitution, which will give them the requisite power to nationalize. In my opinion, the abuses attaching to large corporations will not be removed by the nationalization of industries, but, if anything, will be increased. We shall do very much better if we deal with these industrial concerns as outside interests coming within the scope of our regulation and legislative control. If trusts are in themselves evil they should be suppressed; but is a large corporation necessarily a bad thing? Is it an inherently evil thing? Are the evils which accompany spaciousness of control inherent in the operations of a trust? Are those operations necessarily conducted upon a moral plane different from that upon which similar operations, but of smaller dimensions, are conducted? There seems to be in the mind of the Government who framed the Bill, and in the minds of many of those who are supporting it, the idea that trusts are in themselves bad things. But are all trusts bad things? That is the question which we must face in dealing with this very important matter. Almost every primary effort to establish new material forces for the advancement of our civilization seems at first to have something in them of the nature of a monopoly. But that is only a process, because the after effect is always diffusive, and not monopolistic. The early stages of development always partake more or less of the nature of monopolies. This, however, is only a process. The after effect is always diffusive. In this connexion I should like to hear

our patent and copyright laws explained from a socialistic stand-point. It has always seemed to me anomalous that men who believe in the socialization of industrial pursuits should support the granting of patents and copyrights to individuals.

Mr. FOWLER.—Socialists desire to give inventors the benefit of their inventions.

Mr. JOSEPH COOK.—Is there no other way of doing so than by preventing the rest of the community from using their inventions for a period of fourteen years? Very often the result of the patent laws is that men are forced to work with inferior tools after better tools have been invented. I could give an illustration in support of this statement in connexion with the working of our post-offices, if time permitted, and if it were strictly relevant to the question at issue. But what I am chiefly concerned in pointing out now is that honorable members who believe in the nationalization of industrial operations, and are opposed to the granting of individual rights, are willing to give inventors the sole monopoly of their inventions for a period of fourteen years.

Mr. HUTCHISON.—It is a great mistake. There ought to be no patent laws.

Mr. HARPER.—Then there would be no inventors.

Mr. HUTCHISON.—I would encourage the inventor.

Mr. JOSEPH COOK.—The attitude of the honorable member for Hindmarsh is that which every Socialist should take up. No Socialist should grant an individual monopolistic right against the rest of the community, and protect those rights by legislative enactment.

Mr. FOWLER.—Under Socialism, when persons are entitled to such rights they will get them; but they will get no more than their rights, and other persons will not be able to deprive them of those rights.

Mr. JOSEPH COOK.—The fundamental tenet of Socialism is that there should be no rights of individuals as against society.

Mr. WATSON.—Those are the only rights under individualism.

Mr. SPEAKER.—The honorable member for Parramatta is wandering from the question.

Mr. JOSEPH COOK.—I think so, too, Mr. Speaker. But I should like to mention in passing that I have seen it stated, and I believe it to be a fact, that the American aggregations of wealth to-day are founded more or less on patent rights.

Mr. WATSON.—No. What patent rights do the railway combinations, or the Standard Oil Trust hold?

Mr. JOSEPH COOK.—The statement seemed to me a very probable explanation of the present condition of affairs.

Mr. WATSON.—It is not nearly correct, if one may judge by what has been written of American conditions.

Mr. JOSEPH COOK.—I have no doubt that the honorable member could quote some strong examples to the contrary; but I should like to know whether the Standard Oil Company is not in possession of patent rights which have helped it in its accumulations?

Mr. WATSON.—Ridiculous!

Mr. JOSEPH COOK.—I venture to say that it is not ridiculous. Patent rights are held in connexion with every phase of industrial life, including the handling of products, and it seems to me extremely probable that a great many of the operations of the Standard Oil Company depend for their effectiveness upon the possession of such rights. That statement is not material to my argument, though, if it be not true in regard to the Standard Oil Company, it is probably true in regard to many other companies. Who does not know of the great fortunes which have been built up by the possession of patent rights in connexion with railway carriages, engines, and other transport facilities. If one rides on the front seat of a Sydney electric tram-car, he cannot fail to notice that the handle by which the current is switched on to the motor passes, in its circuit of the under-lying plate, the dates of ten or twelve different patent registrations applying to that particular device. All industrial concerns rely largely for their protection on patent rights, upon the possession of which largely rests to-day the possibility of huge accumulations of wealth.

Mr. HUGHES.—Can the honorable member say that the half-dozen richest men in the United States of America have obtained their fortunes by the possession of patent rights?

Mr. JOSEPH COOK.—I cannot; but it is very probable that the aggregations of wealth rest largely upon patent rights, though the point is not material, and was worthy of notice only in passing. No sane man would justify the villany which now and again attaches itself to the conduct of industrial operations. But is it a necessary accompaniment of these large cor-

porations? Is it like the barnacles on a ship, merely an attachment, or does it inhere in the very nature of their operations? I do not believe that if these large concerns could be nationalized, we should thereby get rid of the villany sometimes attached to their operations. We hear occasionally of strange things being done by those controlling Government Departments.

Mr. ROBINSON.—What about the management of the Fitzroy dock?

Mr. JOSEPH COOK.—The management of Government Departments sometimes necessitates strict inquiry, and prosecutions.

Mr. HUTCHISON.—That is because they are nearly all run by individualists.

Mr. JOSEPH COOK.—This villany does not attach itself to Socialism as such, or to individualism as such. It is common to our human nature, and I am afraid that nationalization will not tend to eliminate it. After all, these evils have their roots in personal character, and do not necessarily inhere in a system as such.

Mr. HUGHES.—In its turn human nature is derived from somewhere—is dependent on something.

Mr. JOSEPH COOK.—I do not think, as the honorable member does, that it is dependent altogether upon environment. That is one of the fundamental differences between myself and him. He preaches the doctrine that men will necessarily become better if you improve their environment. I think that that is begging a great moral question.

Mr. HUGHES.—Wesley said "But for the grace of God there go you and I."

Mr. JOSEPH COOK.—Oh! Wesley, what things have been said in thy name.

Mr. DEAKIN.—John Bradford said that—not Wesley.

Mr. JOSEPH COOK.—I think the Prime Minister is right. However, that statement has done duty under all the circumstances that could be imagined, and I do not think that it can be regarded as a conclusive argument applying to the question of the effect of environment on the development of personal character.

Mr. HUGHES.—We prefer to take the conclusions of scientists rather than the haphazard remarks of the honorable member upon them.

Mr. JOSEPH COOK.—I did not know that I was making any remarks with regard to the conclusions of scientists. I was

stating that if you altered the environment of these trusts you would not eliminate personal villany, and I was pointing out that there was villany in governmental concerns as well as in private concerns.

Mr. WATSON.—We can remove the temptation to villany.

Mr. JOSEPH COOK.—You can remove the temptation only when you remove the whole thing to which temptation attaches. So long as there is human nature, human greed, and human desire for power and possession, so long will there be temptation. That would apply to a socialistic condition of affairs as much as to any other.

Mr. WILSON.—We shall all be angels under Socialism.

Mr. LONSDALE.—We are more likely to become devils.

Mr. JOSEPH COOK.—If we abolished trusts to-morrow, we should not necessarily abolish the evils associated with them. We should merely transfer them to some other channel. I should like to say a word, in passing, upon one of the popular misconceptions with regard to trusts. It seems to be supposed that all these trusts are successful in their operations, but, so far as I can ascertain, very few of them are prosperous. In the *Daily Express*, I find this statement:—

Only twenty-three out of 143 of the large trusts of the United States are paying dividends. Many are in difficulties, and capital aggregating £340,000,000 is earning absolutely nothing at all.

Mr. HIGGINS.—It will do them good if we crush them.

Mr. JOSEPH COOK.—I venture to express a doubt as to whether we can crush them. In the United States attempts have been made for the last dozen years to crush out the trusts, but they are carrying on in spite of everything. Instead of crushing the trusts, we should try and crush the evil out of them and guide and control them, and limit their scope of operations.

Mr. DEAKIN.—If the United States do not crush the trusts, the trusts will crush the United States. They will subvert the whole Government, and themselves become the controlling power.

Mr. JOSEPH COOK.—What does the Prime Minister mean by "crushing" the trusts?

Mr. DEAKIN.—I mean that they must be forced to confine themselves to the limits of honest business and honest profit.

Mr. JOSEPH COOK.—Exactly. We all wish that that could be accomplished, but the Bill aims at nothing of the kind.

Mr. DEAKIN.—Indeed it does.

Mr. JOSEPH COOK.—The Bill, according to its title, deals with the repression of trusts, and not their regulation or control, or their restriction to justifiable operations.

Mr. DEAKIN.—It aims at the repression of trusts if they are detrimental to the people.

Mr. ISAACS.—The honorable member has not got hold of the right title of the Bill.

Mr. JOSEPH COOK.—The Bill professes to aim at the repression of destructive monopolies, but the word "destructive" is only an ugly adjective, which did not appear in the first measure that was introduced. The title has been amended, and the evil with which the measure professes to deal has been made to appear much more menacing than on the former occasion. I am reminded of an incident which occurred a short time ago, when I was taking my children to Manly. I could not get them to pass a confectioner's shop, in which there was displayed a small sugar lion, which was wagging its head in a most menacing manner. The Government have introduced into the title of the Bill a lion in the shape of destructive monopolies, in order to make the measure appear more necessary. If there are destructive monopolies operating to the detriment of Australian trade, let us know all about them. We have asked for particulars, and cannot obtain them. All the figures that have been supplied to us show that very little is going on beyond healthy, normal competition. Last year we imported £85,000 worth of harvesters, as against £250,000 worth of similar machines that were made in Australia. That does not look as if the menacing lion of destructive monopoly was swallowing up Messrs. McKay and Co. On the other hand, it appears that, in spite of foreign competition, Messrs. McKay and Co. are driving a good profitable business.

Mr. HUGHES.—We are following the advice of the right honorable member for East Sydney, who says, "Kill the tiger while it is young."

Mr. JOSEPH COOK.—My trouble is that there is a conflict of opinion amongst Socialists as to what they ought to do in this case. Some of them have indicated

that the supposed tiger ought to be put on the socialistic chain. Now the honorable and learned member wants to kill it.

Mr. HUGHES.—I said that the Bill was designed to kill it.

Mr. JOSEPH COOK.—The honorable and learned member used the personal pronoun "we."

Mr. HUGHES.—The honorable member is not criticising me, but the Bill.

Mr. JOSEPH COOK.—I am commenting on the honorable and learned member's interjection, and I shall be glad to hear him make some reply, if he can. So far, those honorable members who are supposed to be most deeply concerned in this proposal have been as dumb as Jeremiah.

Mr. WATSON.—I spoke last session. Surely the honorable member does not want me to make two speeches on the same Bill?

Mr. JOSEPH COOK.—Is this the same Bill that was introduced last session?

Mr. WATSON.—Practically.

Mr. JOSEPH COOK.—The Minister says that it is a more drastic measure; and the honorable member must admit that there is a very great difference in the title of the Bill.

Mr. WATSON.—That is nothing.

Mr. JOSEPH COOK.—If it can be proved that a menace exists, no opposition to any attempt to combat it will be raised from this side of the House. The facts ought to be provable by statistics. That is the only test that can be applied in a matter of this kind. The figures that have been supplied by the Minister, in response to my request, so far from indicating that there is any menace, show that there is nothing more than normal competition. As I have stated, most of the trusts in the United States are failures. For every one that is a success twenty are failures, and the reason is not far to seek. No more difficult course could possibly be conceived than that upon which a trust sets out when it proceeds in the teeth of the law of supply and demand, which regulates the whole business of the world in spite of all Tariffs and other legislation. You cannot subvert that law. If you do, it will be so much the worse for you, and that very speedily. Therefore, it happens that these trusts, which began with watered capital and inflated prices, have failed. They have sought to raise a few miles of the ocean. As one writer has said, they have exchanged financial loss for educational experience.

All combinations that are intended to force up values to an abnormal extent are to be condemned. To fleece is to cheat, and is immoral, and any combinations setting out to inflate prices beyond their fair normal value violate not only the industrial law of fair competition, but also a higher moral law, and every effort should be made to suppress them.

Mr. HUGHES.—Very often, by the time they assume such proportions as to enable them to do that, they are so powerful that they cannot be suppressed.

Mr. JOSEPH COOK.—We should not be prevented from attempting to do so. Our problem is to eliminate the abuses from these large industrial combinations, and to try and make them square with some broad standard of industrial morality. That is our problem, and in the prosecution of it we ought to do our very utmost to eliminate abuses. The Bill, however, does not attempt to do any such thing. It indicts combinations as combinations, and trusts as trusts, and aims at their repression rather than their regulation or control. As I have already said, I think that the regulation of these trusts is within our province, and I admit that we are confronted with great difficulty. Nothing is more difficult than to regulate huge trusts such as are developing upon the American continent, and the trouble arises from the fact that no two of them are alike as to their material and financial conditions. Every trust is on a basis peculiar to itself, and has peculiar financial and material standards. Our laws are not flexible. They operate in the same way in regard to all, and thus render it difficult to regulate huge concerns such as are indicated. Take the Commerce Bill which was passed last session. It was framed very largely upon the lines of legislation which it was claimed had been successful in New Zealand. But will any one say that there is any parallel between New Zealand and Australia, either as to size, territory, climate, configuration, or in any other respect? There is absolutely none, and yet we have adopted for this huge continent a law which has been regarded as suited to the circumstances of New Zealand. I am not saying that the New Zealand Act has had all the good results that are claimed. In any case, it does not follow that a law which is good for New Zealand is a proper one to bring into operation in the Commonwealth.

No two States of Australia are alike. The conditions under which produce goes to market from the States of Australia, and in the States themselves differ in every case. There are climates in some of our States which are the very antithesis of one another, and to make one plain enactment to apply to every condition of trade in Australia is almost impossible. The Minister himself is finding this out, now that he comes to frame the regulations under the Commerce Act. He cannot carry out the Act. It is another superincumbent piece of legislative machinery, of which this Government, I am sure, will make the most when their placard is put before the country. It is an excellent thing at a time when the people are being led to believe that the more we reel off legislative enactments the more good we are necessarily doing them. It will serve its purpose as a placard of that kind, but it has long since proved itself to the Minister to be impossible of realization in the way he at first intended. He is finding the greatest difficulty in getting it into operation, for the simple reason that there are so many varying conditions to which these rigid laws have to be applied. It is impossible to do it, and it is not being done. The Act to-day is being in large measure ignored. I am glad that it is. While it is a waste of time to pass measures which cannot be carried out, I would rather see those measures resting quietly upon the legislative rubbish heap than witness an effort to enforce them to the infinite injury of our diversified industrial life. In the Bill now before us it is proposed to invest a few men with autocratic control. They are to settle questions involving millions of money on lines of mere expediency, and where there is no issue of right and wrong necessarily involved. It may be requisite, from time to time, to call in these autocratic and personal powers of Government, where vital conditions, such as affect the life and continuity of a nation, have to be met. But here we are calling them into operation to control the industrial operations of a country where thousands, nay, millions of money—and only questions of property and finance—are involved. We ought to be very careful how we call out, shall I say, these reserve powers of the people, in order to meet the ordinary normal conditions of trade and business. Our problem is, as I have said, one of regulation—one of purifica-

tion—so far as abuses are concerned. Our problem is to eliminate from trusts everything that would make them operate in a direction contrary to the interests of the people as a whole. In our complex modern life this intervention of the Government is needed more than ever. People try to make it appear on the public platform that we who range ourselves upon the anti-Socialist side of the political controversy are averse to all State action. The Attorney-General, when addressing his constituents the other day, spoke of a good Socialism and a bad Socialism. We are just as much in favour of that good Socialism as he is. The mistake he makes is in defining our position for us, in attacking his own definition and not our own.

Mr. WATSON. — The honorable member and his party call themselves anti-Socialists.

Mr. JOSEPH COOK.—We do.

Mr. WATSON.—Then they must be against all Socialism.

Mr. JOSEPH COOK.—There is a very definite meaning attached to anti-Socialism. "Anti-Socialism" does not mean—and no one knows this better than does the honorable member—objection to the carrying out of such Government functions as will enable the people to develop their individual private concerns.

Mr. WATSON.—That is not anti-Socialism; it is only a bogus anti-Socialism.

Mr. JOSEPH COOK.—The Socialism to which we object is that of the honorable member, who aims at the destruction of private enterprise.

Mr. WATSON.—The honorable member is bogus again. This is the second time.

Mr. JOSEPH COOK.—To use the honorable member's own formula for realizing this ideal—

Mr. WATSON.—The honorable member was once a bogus Labour member, and now he is a bogus Socialist.

Mr. JOSEPH COOK.—Now the honorable member is becoming abusive. Anti-Socialism is against the honorable member's formula, in which he describes his objective as the condition of things in which we produce for use, and not for profit.

Mr. WATSON.—I did not so describe my objective. The honorable member's statement, like something else he has said, is untrue.

Mr. SPEAKER.—I must ask the honorable member for Bland to withdraw that remark.

Mr. WATSON.—I see no wrong in saying that the statement is untrue. I do not suggest that the honorable member is wilfully misrepresenting me, but I do say that as a matter of fact his statement is incorrect.

Mr. SPEAKER. — Will the honorable member kindly withdraw the remark?

Mr. WATSON.—I shall do so, sir, if you wish it; but I do not see anything wrong in saying that a statement is incorrect.

Mr. JOSEPH COOK.—I shall make no remark as to the honorable member's contention, but shall ask leave later on to make a personal explanation, and to quote the honorable member.

Mr. WATSON.—The statement is incorrect; the honorable member cannot quote me.

Mr. JOSEPH COOK.—I suppose that that of which we read as having taken place in Bendigo the other night, in connexion with the Political Labour Council, is also incorrect.

Mr. SPEAKER.—I must ask the honorable member to discuss the Bill, and not the question of what is or is not Socialism.

Mr. JOSEPH COOK.—I submit, Mr. Speaker, that in discussing the fundamental principles of governmental control, regulation, and repression, I may be allowed to furnish illustrations. That is all I am doing.

Mr. SPEAKER. — I have already allowed the honorable member very considerable latitude. I think that for some time he has been on the border-line of irrelevancy; but as I assumed that he was simply referring incidentally to the various points, I took no steps to stop him. As the course he is at present pursuing is producing some feeling in the House I must ask him to confine his attention to the discussion of the Bill itself.

Mr. JOSEPH COOK.—I have already said that in our modern arrangements, complex as they are, the intervention of Government becomes necessary. No one recognises that more clearly than do those who range themselves on the anti-Socialist side of this controversy. Private liberty—and I say it frankly—must always go down before the liberty of others the moment it infringes that liberty. That is the true position in relation to these matters.

Mr. HUGHES.—Hear, hear; Socialism says no more than that.

Mr. JOSEPH COOK.—I wish to say, further—and this is what Socialism does not say—that that boundary-line must be

fixed by a wise and prudent expediency, and must not follow any blind principle, such as is enunciated by the Socialists in this House.

Mr. WATSON.—One would not expect the anti-Socialists to follow any principle.

Mr. JOSEPH COOK.—Our great aim should always be to leave private enterprise as free as possible consistently with the elimination of those abuses which fasten themselves on all the enterprises in which individuals take part. This is an Anti-Competition Bill. It does not merely regulate competition; it deems all possible competition between Australia and elsewhere as being in itself a thing to be repressed, and it proposes accordingly to repress it. As I described it last session, it is an Anti-Trade Bill, not an Anti-Trust Bill. All competition is not bad. There is a constructive, as well as a destructive competition, and the mistake my honorable friends opposite make is in girding at all competition as necessarily evil, and, therefore, a matter for complete suppression. They see only one side to this competition; they see the iron wheels going over good people, and they conclude, therefore, that all competition is evil. There is a good as well as an evil kind of competition. Constructive competition—

Mr. MAUGER.—That is emulation.

Mr. JOSEPH COOK.—I am referring to constructive competition which is not emulation or anything like it—to competition which results in the employment of improved machinery—

Mr. MAUGER.—That is emulation.

Mr. JOSEPH COOK.—I was not aware that people revolutionized their industrial concerns purely for emulative purposes. I thought that they did it for private profit and advantage. I venture to say that that is what influences the honorable member. There is a constructive competition which means better skill and better machines, and if we abolish the constructive side of these competitive enterprises, the world, it seems to me, must slip back again to semi-barbarism. It is the one thing that keeps us from drifting back. In this Bill, successful competition is regarded as unfair, merely because it is successful. That is one of its fundamental mistakes. No distinction is made; competition has only to be successful, and then, no matter how fair it may be from every industrial and moral stand-point, it is deemed in this

Bill to be unfair. It is unfair because it happens to be successful. In other words, the word "unfair" as used in the Bill is so elastic as to include all competition, whether constructive or destructive. The title of the Bill, to begin with, indicates that it has a dual function. It aims first at the preservation of Australian industries. Here we have a new departure in connexion with our legislation. It has always been peculiarly the function of the Tariff to arrange for the preservation of Australian industries. The sole aim of the protectionists has been to preserve Australian industries by means of Tariffs, and until now they have always proclaimed upon the hustings that Tariffs were sufficient for the purpose. It was left to the Minister in charge of this Bill the other night to say that it was designed to do what they could not do in that direction. I believe that there is no protectionist here who will subscribe to that doctrine, nor would the Minister subscribe to it if its immediate use was not the putting through of this Anti-Trade Bill. At any other time he would be one of the most eloquent advocates of the imposition of duties for the purpose for which he has ostensibly introduced this Bill—the preservation of Australian industries. What is the fact? The question of harvesters has already been before the House. It declined to increase the duty on the article, and now the Ministry is attempting to do by a special Bill what it deliberately declined to do when the Tariff was under consideration. Ministers are getting behind the back of Parliament, if I may so put it, in trying to get through under an entirely different title a higher duty for the benefit of the harvesters in Australia. They ought straightforwardly to come to the House with a higher Tariff if they want that industry to be further protected, and not to do it in a Bill of this kind. I have yet to learn that the House is going lightly to surrender its powers of taxation in this way—to hand over its control by means of a Tariff to a board, necessarily autocratic in its composition and its *personnel*. For the first time an Australian Parliament—for the first time, I venture to say, the Parliament of a British community—is asked to deliberately surrender its right of controlling the Tariff and of regulating industrial concerns. But here it is in this Bill as its first and principal function. It occurs to me that during this Parliament we are mak-

ing a very great stride forward in the direction of setting up personal in place of responsible government. If we take these ordinary affairs relating to social and industrial life away from Parliament, and place them under the control of a few autocratic men, we shall have gone far towards preparing the conditions for the absolute destruction of responsible government. One of these affairs after another will be put under the control of persons outside, and if we go on as we are doing we shall soon be ripe for a dictator to come along and take charge of the whole affairs of Australia and work them from a purely personal stand-point and consideration. Under this Bill no competition is allowable except with countries with equal industrial conditions. As the industrial conditions of no two countries are alike, trade between them will become impossible.

Mr. WILKS.—This is a short cut to prohibition.

Mr. JOSEPH COOK.—The logic of the Bill is trade prohibition—there is no escape from that conclusion—if its provisions are carried out strictly. We are told, for instance, in the Bill that if there is any difference in the wage rate of any other country—and wage rate is to include hours of labour and general conditions surrounding the industry—that is to be regarded as unfair competition.

Mr. ISAACS.—What clause is the honorable member referring to?

Mr. JOSEPH COOK.—I am referring to the interpretation clause, which says—

“Lower remuneration for labour” includes less pay or longer hours or any terms or conditions of labour or employment more disadvantageous to workers.

Mr. ISAACS.—That does not bear out what the honorable member said.

Mr. JOSEPH COOK.—It does bear out what I say. The Bill instructs the Comptroller-General of Customs—an instruction which we ought not to give him, because, as head of the Customs Department, he has no right to concern himself in these things—if he suspects that imports have come here from any country where lower remuneration of labour obtains, to indict the instrumentality of their coming. Because the competition is successful it is indicted as unfair under the Bill. Is it right to set up as a legislative standard that anything which competes on conditions, however fair, honorable, and reasonable, must be regarded as unfair

until a whole process of inquiry to prove the contrary is undertaken? It may mean that you are indicting a better machine and superior skill. At the same time, you are in danger of trying to bolster up an inferior machine, and to keep it in operation at the cost of the community and at the expense of people outside. Therefore, the Bill is going right in the teeth of that constructive competition which has played so large a part in the upbuilding of the industrial prosperity of the nations of the world. Then, too, there is a fallacy lurking in clause 3, I think. The assumption is that lower remuneration of labour gives better competing conditions. It is a false assumption. The best paid labour is the most successful, and produces more cheaply than any other kind of labour. Our trouble to-day is not with low-paid countries—and the figures show that—but with highly-paid countries. But the assumption in this Bill is that if labour is remunerated at a lower rate, therefore that low-remunerated labour has a better competing status than if it were paid more highly. All the experience of the world proves that that assumption is fallacious. Our statistics show that we have more to fear from the competition of the highly-paid than from that of the low-paid labour of the world. Then who is to say what is the cause of our disorganization? Is there to be an inquiry into the calibre of our machine, into the acquired skill and experience that we possess here? The Bill does not say that these things are to be taken into consideration. It says that if our industry is likely to be disorganized, therefore that trade must be stopped. It does not mean that we must wait until the disorganization has actually taken place, but that if, in the opinion of the Comptroller-General of Customs, it would probably take place, therefore this repression must go on. Disorganization always will, and must, take place where there is a clash of a good machine with a bad one, of superior skill with inferior skill. If you check the consequences arising from that inter-play of the education and skill of the world, it will drive the nation back a long stage to barbarism. I do not want to go into all the details of the Bill, but wish to say a few words about the question of dumping. Here, again, the Bill makes no distinctions. It aims a blow at dumping, from whatever quarter it may

come, under whatever conditions it may happen to come, and whether its effects may be harmful or good. There are two kinds of dumping—aggressive dumping and compulsory dumping. Aggressive dumping may be described as that into which a rich nation enters in order to try to beat to industrial earth a poorer nation. With that kind of dumping no one has any sympathy, and there must always be power inherent in any Government to try to prevent the complete overthrow and destruction of its industrial life by that means. But you have to take care, even in connexion with this matter, that the remedy to be applied is not worse than the disease. Great caution and the utmost ability are required to apply any provisions which are aimed at the repression of even aggressive dumping from outside. Compulsory dumping may be described as the sale of bankrupt and surplus stocks in countries which have over-produced, and which, therefore, must pay to bring the goods here and sell them at whatever prices they will fetch. This Bill is designed to stop all that kind of thing. If it be stopped here you have to take care that you have not to meet it elsewhere, particularly in this matter of harvesters. I understand Mr. McKay to be an exporter of harvesters to-day. If the importation of harvesters be stopped, outside manufacturers must necessarily find a market elsewhere for surplus stocks, and if they do not compete with Mr. McKay here, the probability is that they will compete with him in other quarters of the world.

Mr. LONSDALE.—He is competing with them now.

Mr. KELLY.—He is beating them in open competition in South America.

Mr. JOSEPH COOK.—They will compete all the more keenly if they are shut out of Australia, since they must find an outlet for their surplus products elsewhere. All these are difficulties to be faced even when dealing with apparently so simple a matter as the dumping of goods. But is it right to make the Comptroller-General of Customs a political officer and a partisan? What right have we to put upon him the duty of saying that in his opinion an imported article will disorganize an industry here, or that an article from abroad has been produced at a lower wage-rate than that paid in the production of a similar article here? In spite of himself he must become a political partisan if he

is to undertake this duty which is sought to be thrust upon him by the Government. Then, again, there are some things taboo in the Bill as to which the contrary has not to be proved. The Minister has only to hear one side of the matter. The Bill actually goes the length of laying down hard and fast lines upon which a jury shall proceed. First of all the Bill gives the jury a definition wide enough to cover everything. It says that they must inquire into the question of what is "unfair in the circumstances." Surely the phrase "in the circumstances" includes every circumstance surrounding a trade. After telling the jury in that general direction that they must inquire into every circumstance concerning a trade, if need be, the Bill goes on to say that such and such things shall be observed by them in conducting their inquiry. Again it says that if a man is paid a very large salary that also is a matter for investigation. Large salaries or large rewards, are indicated by the Bill. President Roosevelt says in his message that you must have large rewards to attract men of special talent and skill. This is a levelling process with a vengeance! This cutting down of wages, if they happen to be big wages, is socialistic enough for anybody. Speaking generally, you get this position under the Bill, that a man believing that he is not breaking any law, knowing nothing of some of the intentions and purposes of this autocratic body out here, may send out his goods, and find that they are prevented from being landed. He may have his trade strangled and destroyed, and that through no fault of his own, but simply because he is not able to gauge the whims, moods and tenses of a body which is set up here with limitless control and almost limitless scope. It will be our object in Committee to try to tone down some of these defects of the Bill. We are going to try to eliminate some of the possible dangers of trusts in Australia, but we shall, in doing that, take care that, in addressing ourselves primarily to an attempt to deal with the cupidity of the individual, we do not contravene these great natural laws which will crush us if we disobey them, but which, if harnessed, guided, controlled, are capable of bringing us greater prosperity and greater peace.

Mr. ISAACS (Indi—Attorney-General) [9.1].—I should like to say at the outset that I do not complain at all about the

criticism which the honorable members of the Opposition have thought fit to urge with regard to this measure. I quite acknowledge that it is a Bill of very great importance. In fact, the undertaking of the Prime Minister last session—an undertaking which he has faithfully kept—that this should be the first measure to be introduced during the present session, is sufficient evidence of the opinion of the Government that it is of great importance. Its scope and meaning are, I think, truly indicated by its title. It is “for the preservation of Australian industries, and for the suppression of destructive monopolies.”

Mr. WILKS.—It is a bit fiscal, then?

Mr. ISAACS.—It is a Bill which, I think, ought to be supported by every honorable member, whatever his fiscal opinions may be, so long as he believes in the development of this country. I will show the House why I express that opinion. If we have any desire to make this country what I think it may well become—perhaps not in the immediate future, but it can commence now—a great manufacturing country, a country that can hold its many millions of people as other continents do, a country that can have diversity of occupation and diversity of employment, with a population not confined to the margin of the Continent, but spreading far over its interior—then I say that it is necessary to see that its manufacturing industries and its natural resources, which may easily be turned into secondary sources of production, are not stifled, perhaps in the very first years of the Commonwealth, by the power of numbers and the power of aggregated wealth wrongly used to the repression of honest individual effort properly directed. I will call upon my honorable friends, who are very strong in the support of individual liberty, to join with the Government in passing this Bill, which is for the maintenance of true individual liberty. The measure has points of difference as compared with that which the Government presented last session. It is wider in its scope. It is not, however, different in its intention. Its intention now is, as it then was, to protect Australian industries, and to repress commercial trusts. It is now wider, but, I say, of the same import. It more effectively carries out the intention embodied in the Bill of last year. I will now do what I did last session—endeavour to put before the House, as clearly as I can,

the purport and meaning of the various parts of the Bill. The preliminary part contains a short interpretation clause, which applies to the whole Bill. It applies to Part II., relating to monopolies, and to Part III., relating to dumping. It defines the term “commercial trusts,” with which honorable members are fully acquainted; it defines “lower remuneration for labour,” and it defines “person.” When we come to clause 4, which is the first of a series of clauses extending to clause 11, dealing with the repression of monopolies, we find provisions which are partly framed under the trade and commerce section of the Constitution, and partly framed under the corporation section. Whatever the Federal Parliament has power over, whether it be with regard to subject-matter, or with regard to any particular person, it has full power over. When it has power over trade and commerce with foreign countries, and among the States, it has full power over that subject-matter, no matter what person, individuals, or corporations are carrying on that trade and commerce; and when it has power over corporations, it has, I take it, full power over the operations of those corporations, whether they are carrying on Inter-State trade, foreign trade, or trade within a State. So that we have endeavoured in this portion of the Bill to cope with monopolies, if they relate to Inter-State and foreign trade, and whether they are carried on by individuals or corporations; and we have endeavoured to cope with monopolies even within a State when carried on by corporations. But we cannot deal—the Constitution does not give us power to deal—with monopolies, carried on purely within a State by individuals only. I take it, however, that it is a very small portion which is left uncovered. It must, if dealt with at all, be dealt with by the States; but it is a small thing in comparison with the larger issue, that an individual should have a monopoly within a State, the operation of which does not extend beyond the limits of that State. We have gone as far as we can in regard to the nature of the matters with which we are dealing.

Mr. WATSON.—Does the Attorney-General regard as a corporation a single company that is not acting in conjunction with other companies?

Mr. ISAACS.—Certainly. An ordinary trading company registered under a trading company's Act would be a corporation.

Mr. WATSON.—Our power would apply notwithstanding that the company did not operate outside the borders of one State?

Mr. ISAACS.—Yes, because we have full power to deal with corporations.

Mr. GLYNN.—Is that a power under our Constitution?

Mr. ISAACS.—Yes, under section 51, sub-section xx., we have power to legislate with regard to foreign corporations and trading and financial corporations formed within the limits of the Commonwealth.

Mr. GLYNN.—I very much doubt whether that covers this particular Bill, though. It does not in the United States.

Mr. ISAACS.—The Federal Government has not such a power in the United States. It is because we have that power that we can make the additional provisions in this Bill, and I take it that if they had such a power the United States Government would be free from many of the difficulties that now confront them in their legislation.

Mr. GLYNN.—I take it that the Attorney-General has only discovered that power since last year.

Mr. ISAACS. By no means; but it is since then that we have decided to use it.

Mr. GLYNN.—It was a discovery *in extremis*, I think.

Mr. ISAACS.—It was no new discovery at all. I was asked last year by the honorable member for Kennedy whether the Bill would apply to the Colonial Sugar Refining Company, and I replied that it would not, but that a few words could be introduced to make it apply.

Mr. GLYNN.—I do not think that the Attorney-General indicated last year that those powers were in the Constitution.

Mr. ISAACS.—I can assure the honorable and learned member that I did, and he will find my statement in *Hansard*. I said that a very few words could make the Bill apply to the Colonial Sugar Refining Company. In the United States the sole power depends upon the trade and commerce section, but as I have said, there is a power in our Constitution to deal with corporations—foreign corporations and trading and financial corporations—formed within the Commonwealth; and I take it that we can deal with those corporations in regard to any of their operations. I have explained so far the nature of the ground that we intend to cover, and now I will point out how we propose to deal with it.

Mr. HARPER.—Would the Attorney-General mind explaining what is the position of an individual within a State? Is he to be restricted?

Mr. ISAACS.—I have just explained that the Commonwealth has no power to deal with the trade of an individual, which trade is confined solely to a State; but if his trade extends beyond the limits of a State, it is dealt with by this Bill.

Mr. DUGALD THOMSON.—Only so far as his trade extends, I suppose?

Mr. ISAACS.—If he is doing Inter-State trade, of course, that is what we deal with. I should like to put the case succinctly to the House at this stage, and I shall have much pleasure in going into further details in Committee if desired by honorable members. Clause 4 deals with trade and commerce with other countries and among States, and it provides that—

Any person who wilfully either as principal or as agent, makes or enters into any contract or is a member of, or engages in any combination to do any act or thing in relation to trade or commerce with other countries, or among the States—

in either of two matters—first—

in restraint of trade or commerce to the detriment of the public,

or secondly—

with the design of destroying or injuring by means of unfair competition, any Australian industry, the preservation of which, in the opinion of the jury, is advantageous to the Commonwealth, having due regard to the interests of producers, workers, and consumers,

shall be guilty of an indictable offence.

Mr. McCOLL.—Will the Attorney-General explain what is meant by “to the detriment of the public”?

Mr. ISAACS. — There are several American Acts dealing with the question, but in the Sherman Act, which is the main Act, a provision is made that restraints of Inter-State or foreign commerce are criminal, and the Courts there have held that it does not matter whether the restraints are beneficial to the public—or are not prejudicial to the public—so long as they are restraints, they are hit by the Act. In American cases, to which I shall make a very short reference presently, that principle is laid down time after time. I personally, and the members of the Government, agree that there may be combinations whose work is useful and beneficial to the public.

Mr. DEAKIN.—At all events, not injurious.

Mr. ISAACS.—And certainly not injurious. We do not believe that that sort of work should be penalized. Therefore, as the American law, as explained by the Supreme Court and the Federal Courts of the United States, pushes the matter so far as to make no discrimination whatever between what is injurious and what is beneficial, we have inserted these words, "to the detriment of the public." Under the old British law monopolies which were detrimental to the public were hit at. That is all we wish to do. If there is a restraint of trade which can be shown to be detrimental to the public, which is injurious to the public—and we cannot define the particular instances in which that detriment will occur or the injury will arise—then we say that the man who wilfully enters into such a contract or joins such a combination, shall be deemed a public malefactor.

Mr. LONSDALE.—Injury to what section of the public?

Mr. KELLY.—Who is to decide the injury?

Mr. ISAACS.—Injury to the public is a very well-understood term.

Mr. LONSDALE.—What would injure one section of the public might benefit another.

Mr. ISAACS.—Injury to the public is a term well known to British law. The matter can be well worked out and it is impossible, I think, to make it more distinct. It will be left to a jury to determine upon lines of common sense. The jury who will be drawn from the public, will fully understand whether a certain thing is injurious to the public or not. If, as my honorable friends opposite put it, and I quite agree with them, this is a matter which ought to be looked at from the public stand-point, I know of no better tribunal than a jury to say what is injurious to the public and what is not.

Mr. KELLY.—A jury in one part of the Commonwealth will hold an opinion different to that of a jury in another.

Mr. ISAACS.—The honorable member might say that of every case that could be tried, and it is merely an argument to prove that no cases should be tried by juries at all. It could be said of Judges, and of any human beings whatever. It could be said that one Judge, or one individual, might take one view of a case on questions of fact and another might take an entirely different view.

Mr. KELLY.—A jury in one State might regard the interests of that State, for instance, as opposed to those of another State.

Mr. ISAACS. — Does the honorable member propose to allow trusts to run rampant?

Mr. KELLY.—No one has said so.

Mr. ISAACS. — Then we must have human beings to adjudicate upon these cases. The honorable member will not have a Board, and if he will not have a Judge and jury, what will he have? I point out to my honorable friends opposite that they must decide whether they are going to support the repression of injurious monopolies, or to vote for maintaining them. If the honorable member for Wentworth votes, as I believe he will, to help us to repress injurious monopolies, he will have to consider—though I admit he may do so more appropriately in Committee—to what tribunal he will refer these matters.

Mr. WILKS. — Can the honorable and learned gentleman mention a single injurious monopoly operating in Australia at the present time?

Mr. ISAACS. — May I be allowed to continue my explanation? Clause 5 relates to corporations. As I have pointed out already, we consider that a corporation which does these things with regard to any trade or commerce within the Commonwealth should be deemed to be guilty of an offence. I may point out before I go any further that the American decisions of importance commenced in about the year 1895. The Sherman Act was passed in 1890, and for some time it was a matter of great doubt as to how it applied, and how these great corporations could be attacked. The first important case was that of the *United States v. Knight and Co.*, the sugar trust case. In that case the American Sugar Refining Company, which was a New Jersey corporation, bought up the stock of some four Philadelphia corporations, and acquired practically the monopoly of manufacture. It came before the Supreme Court of the United States, and the Court absolved the trust. The Court said there was no breach of the Sherman Act, because it held that manufacture is not the same as commerce. Manufacture is not trade or commerce; that it is only the preparation of goods which are to be used in trade or commerce, and that the transaction aimed at bore no direct relation to Inter-State com-

merce. It was thought for some considerable time—a year or two, at all events—that the trusts were triumphant, and that under the American Constitution the Congress of the United States was powerless to deal with them. Two other cases came on—one in 1897 and the other in 1898—the transportation rates cases, the *United States v. Trans-Missouri Freight Association*, 166 U.S. Reports, 290, and the *United States v. Joint Traffic Association*, 171, U.S. Reports, 505. As the decision in the second case followed that given in the first, I may state what was decided in the Trans-Missouri Freight Association case. The Court held that the restraint provisions of the Act did apply to contracts between competing carriers; that there was no necessity to prove the purpose to restrain, if the necessary effect of the contract or combination was to restrain Inter-State commerce, and that this applied to all restraints, whether they were reasonable or unreasonable.

Mr. WATSON.—There have been some decisions somewhat different to that.

Mr. ISAACS.—That portion of the decision has been upheld, and it is here, as I have indicated, that this Bill differs from American legislation, because it is not right, so far as I can judge, to apply drastic provisions of this kind to restraints which are not unreasonable.

Mr. WATSON.—Did not the United States Supreme Court hold that there must be evidence in the deed of corporation of a desire or intention to restrain trade?

Mr. ISAACS.—In one sense, in a later case; but the American Courts have upheld the decision that there must be an indication in the contract that it would directly affect Inter-State trade. It is not, however, necessary to prove that that is the purpose of it, but you must prove that that is the effect of it. Then came two other cases, in which certain meat trusts were triumphant. The Court held that trusts formed to buy cattle for themselves within their own State were not committing a breach of the Act unless they bought to sell beyond the limits of that State.

Mr. GLYNN.—The Sherman Act was really directed against carriers.

Mr. ISAACS.—It was, but the Court has held that it extends to every sort of contract.

Mr. GLYNN.—I am aware that the Act is wider, but it was introduced to deal with carriers.

Mr. ISAACS.—The first case which gave a great shock to the trusts was that of the *Addyston Pipe and Steel Company v. United States* in 1899, 175 *United States Reports*, 211. There it was decided that a combination of manufacturers and vendors to raise prices is in restraint of Inter-State trade. It was sought to show that, because they were manufacturers agreeing with vendors as to whom they should sell to, and whom they should buy from, the decision in the *United States v. Knight and Company*—the sugar trust case—governed the matter; but the Court pointed out that there must be no mistake about it, that whilst the decision in the sugar trust case, in which the trust was successful, was entirely based on the fact that there was no proof that the manufacture was connected with Inter-State trade and commerce, although it was a monopoly of manufacture, still if the contract was connected with the disposal of the goods beyond the State that was quite sufficient to bring it within the Act. The Court so held in that case, and it has been so held ever since. Then we come to the case of the *United States v. Chesapeake and Ohio Fuel Company*, 105 *Federal Reporter*, 93. There the Court annulled a contract by the corporation to take the entire product of a number of producing firms and corporations engaged in the mining of coal, intending to sell it at not less than the price to be fixed by an executive committee, and to pay to the parties the entire proceeds over and above a fixed sum retained for compensation. The Court held that it was no defence that the agreement was not injurious to the public, or was actually beneficial to the public. There are other cases, coming down to as late as 1905, in which the same principles are upheld. I shall just name them, in order that honorable members may look them up if they wish, and shall then pass on to the consideration of the Bill. One is the *United States v. Swift*, in 1903, 122 *Federal Reporter*, 529. That was a meat trust case, and the decision was upheld by the Supreme Court of the United States on the 30th January, 1905. Then there is the case of *Montague and Company v. Lowry*, in 1904, 195 *United States Reports*, 38. There is the case of the *Northern Securities Company v. the United States*, in 1904, 193 *United States Reports*, 197, in which it was held that a cor-

poration was a trust and a combination in restraint of trade. Then there is the case of *Ellis v. Inman, Poulsen, and Company*, in 1904, 131 *Federal Reporter*, 182, the timber trust case. In that case the Court ruled that the true inquiry is whether a contract tends to appreciably restrain Inter-State trade, and, if it does, it is within the Statute, although such effect may not be so considerable as its other effects. Honorable members will see from these cases that the American law devotes itself entirely to the question of whether there is a restraint of trade, without regard to the fact that it is beneficial or injurious. This Bill will, I think, be seen to be framed with greater care to meet what I think to be the justice of the position, as unless the restraint is to the detriment of the public, or injurious to industries which ought to be preserved, there is no penalty at all. But if there is a restraint of trade to the detriment of the public, or if there is an intention to destroy Australian industries whose existence is shown to be beneficial to Australian producers, consumers, and workers alike, there is a breach of the Act.

Mr. McCAY.—There is no provision of the Sherman Act fairly corresponding to that.

Mr. ISAACS.—There is not, except the monopoly portion, and I do not know that it does not to some extent come under it. I am not sure that it does not. But while I freely confess that there are no words in the Sherman Act to exactly correspond with that—

Mr. McCAY.—The Sherman Act does not aim at an alleged mischief of that kind.

Mr. ISAACS.—I am not sure that the Sherman Act could not reach even that case. I think that restraint of trade may be brought about either by excessive prices or by running industries off the market. You can do a thing directly, or you can do it indirectly. But there has been no decision to that effect.

Mr. McCAY.—All those cases go upon quite a different ground.

Mr. ISAACS.—So far they do; though I do not know what the American Courts may hold in the future. But whether they do or not, the Government is taking the responsibility of setting out clearly what it desires, and it is for honorable members to say whether they agree to its proposals. We say, "If you

designedly attempt to destroy Australian industries by unfair competition—only those industries, mark you, which it is desirable in the interests of all Australians to preserve—you come within the Act; otherwise you do not." We apply the same principle, in clauses 7 and 8, to monopoly. In clause 6 we say that competition is to be deemed unfair, if the defendant is a commercial trust or the agent of a commercial trust, until the contrary is proved. We think that in itself it is unfair for any individual or individuals to have to compete with a trust. We say in paragraph *b* of clause 6 that if the competition would probably or does in fact result in a lower remuneration for labour, that is *prima facie* evidence that it is unfair. We take the ground that if competition can be maintained only by lowering the wage standard in Australia, it is *prima facie* unfair, and the onus of justifying it lies upon those who wish to see how far it can be justified.

Mr. McCOLL.—Who fixes the standard?

Mr. ISAACS.—The standard will be that existing in the industry at the time when the competition commences. Then, if the competition would probably or does in fact result in greatly disorganizing Australian industry, or in throwing workers out of employment, that is to be taken as *prima facie* evidence that it is unfair. The same principle runs through each case. So far we have dealt with the repression of monopolies; but clause 10 is an adaptation of another power given by the Sherman Act, which enables application to be made to the Court for an injunction to restrain the commission of or prevent the continuance of any act which is unlawful under the Bill. The other portion of it, to which I have already referred, relates to a prosecution. The portion to which I am now referring relates to the power of the Court to prevent the continuance of these acts. Clause 11 adopts a provision in the Sherman Act by which any person who is injured by means of an unlawful act is entitled to get triple damages, and such damages were obtained in the case of *Montague v. Lowry* to which I have referred. I welcomed a great number of the observations of the honorable member for North Sydney, and thought them very fair indeed. He recognised that there are occasions when it is necessary to put some restraint upon the attempts of

men of large brain and small scruple to get command of the means of supply and distribution, who seek to tax the people regardless of the injury and wrong they do. He said that we should seek the means of combating such men. He is absolutely in line with us there, and told us in generous words that there would be no opposition to that part of the Bill.

Mr. DUGALD THOMSON.—I did not express myself in that way. I said, so far as the Bill would effectively carry out that intention.

Mr. ISAACS.—I think that it will. I do not wish to carry the honorable member's words any further than I understood them.

Mr. DUGALD THOMSON.—I took exception to that part of the Bill.

Mr. ISAACS.—My honorable friend said that we must not confuse beneficent with destructive combines. I agree with him there, and the Bill all through makes a distinction between them. No stroke is levelled by it at any beneficent combine. No attempt is made to strike at any combination, however powerful, unless its action is wilfully directed to the detriment of the public, or to the destruction of Australian industries, which we regard it as necessary to preserve. I think it important to retain that fact in mind. While I thoroughly agree with the observation of some of my honorable friends opposite, that we must not slash round to destroy aggregations of capital, any more than that we should try to destroy aggregations of labour merely because they are aggregations, we must not hesitate to do so if we find the great power which they possess directed against the common weal.

Mr. WEBSTER. — Wrongful intention would be pretty hard to prove.

Mr. ISAACS.—I do not think so. The intention must be found from the necessary result of the acts at the time. The American Courts have not hesitated to infer intention from necessary results, and every man is presumed to intend the necessary results of his acts. My honorable friend asked me whether we could not leave this matter to a Judge instead of to a jury; but I do not favour leaving a question of criminal intent, and its punishment, to a Judge alone.

Mr. DUGALD THOMSON.—My first question was with regard to what the opinion of the jury should be taken on. The Bill says, "as to whether it is advantageous to the Commonwealth."

Mr. ISAACS.—It is only in that connexion that the opinion of the jury is expressly mentioned, but, as I have already explained, the opinion of the jury will have to be taken in regard to many other matters besides.

Mr. DUGALD THOMSON.—Does not the inclusion exclude?

Mr. ISAACS.—I think not; but, as I indicated when my honorable friend was speaking, there is no objection to the elimination of those words. They were put in to show honorable members that our view is that the advantage of the Commonwealth is a question which should be left to the jury. It may be that these words can be struck out. Their omission would not alter the fact that the question will have to be left to the jury; but it might be that other questions of fact would then more distinctly come within the province of the jury. That, however, is purely a Committee matter. Passing on to the anti-dumping provisions of the Bill, I have again to draw attention to clause 13 as the key-note of this particular portion. Although we provide that dumping of foreign goods is not to be allowed, under certain circumstances, it is essential to the application of this portion that the Australian industries which are to be protected shall be industries which, in the opinion of the Comptroller-General, or the Board, as the case may be, are advantageous to the Commonwealth, having due regard to the interests of producers, workers, and consumers. I at once admit that there may be great difference of opinion as to whether the Board is a proper tribunal.

Mr. McCAY.—Does not the honorable and learned member think that Parliament is the proper tribunal to decide that question?

Mr. ISAACS.—Is the honorable and learned member prepared to enumerate the industries which he wishes to protect, leaving out all others?

Mr. McCAY.—It will take me too long to enumerate all the industries which I desire to protect.

Mr. ISAACS.—If the honorable and learned member will furnish such a list, we may be able to determine the matter; but he must remember, in making out his enumeration, that from day to day and from year to year industries alter in importance, and new industries spring up. I think that no one can enumerate all the

industries of the Commonwealth which ought to be exclusively protected.

Mr. DUGALD THOMSON.—Not protected—preserved.

Mr. ISAACS.—I do not use the word “protected” in a fiscal sense. I mean protected from destruction. Whether you determine it by Parliament, by the Comptroller-General, by a Board, or by a Judge, the only industries designed to be protected in the way provided for are industries proved to be desirable of continuance, in the interests of producers, workers, and consumers alike. We say that no Australian industry which it is desirable to preserve shall be killed, either by internal or external attack. If an industry should be preserved, we intend to make the preservation effectual. There is not the slightest use in saying that it should be protected from trusts in Australia if we let it be drowned by importations of dumped goods from abroad. Therefore we start with Australian industries necessary to be preserved, and say, “If foreign goods are brought in under certain circumstances which are shown to mean unfair competition, that competition shall be stopped.” We define “unfair competition” as follows:—

In the following cases the competition shall be deemed unfair until the contrary is proved—

- (a) If the person importing goods or selling imported goods is a Commercial Trust;
- (b) If the competition would probably or does in fact result in a lower remuneration of labour.

Assuming that an industry is one which ought to be preserved, we would protect it against such competition as that indicated. Take the iron industry, for example. We want the iron ore to be dug up from the earth, and converted into pig-iron for use in the manufacture of machinery suitable for our manufacturers, our farmers, and every one else. Honorable members will not deny that this is an industry that ought to be preserved. If we found that the introduction of certain goods would result in the Australian product having to be withdrawn from the market, or sold at a loss, unless we cut down the wages of our labourers, or prolonged their hours of labour, we should regard the competition as unfair. If, no matter what machinery we might introduce—what methods we might adopt, what advanced system we might bring into operation—we could not possibly maintain an industry which ought to be preserved in the

interests of Australia, unless we sweated our workers, we should have to protect it against unfair competition from outside.

Mr. DUGALD THOMSON.—Would that apply to goods coming from a country in which high wages were paid?

Mr. ISAACS.—I would not care where such goods came from. If their introduction had effects such as I have described, they would compete unfairly with our manufactures. The quarter from which they came would be quite immaterial if they were going to kill an Australian industry which we considered it necessary to preserve.

Mr. WILKS.—Why does not the Minister admit that he believes in prohibition?

Mr. ISAACS.—That question is answered by what I have already said. We provide that, unless the contrary is proved, competition, as defined by us, shall be deemed unfair. In other words, we say that if it is shown that the goods are being introduced by a commercial trust or agent of a commercial trust, or if their importation would probably, or does in fact, result in a lower remuneration for labour, or if it would probably, or does in fact, result in greatly disorganizing Australian industry, or throwing workers out of employment, the competition is unfair. As to these provisions we have had no hostile criticism.

Mr. DUGALD THOMSON.—There would be difficulty in disproving that the competition was unfair.

Mr. ISAACS.—No one can provide evidence beforehand. No doubt the question is a difficult one; but matters quite as complex have been successfully dealt with.

Mr. DUGALD THOMSON.—The importer is to be regarded as guilty until he proves that he is innocent.

Mr. ISAACS.—I shall be glad to welcome any suggestion for facilitating proof in these matters. Then we come to another provision. It is provided that the competition shall be deemed unfair until the contrary is proved—

If the imported goods have been purchased abroad at prices greatly below their ordinary cost of production where produced, or their market price where purchased.

All that means is that if goods have been purchased abroad below the ordinary cost of production—I do not care whether they have been bought as bargains or not—and they are brought here and come into conflict with an Australian

industry that ought to be preserved, those who are bringing in the goods must prove that the competition is fair.

Mr. HARPER.—If an importer absorbed the whole of the profit on his bargain, would he be regarded as competing fairly?

Mr. ISAACS.—The clause deals solely with the price paid for the goods abroad.

Mr. DUGALD THOMSON.—If a man buys abroad cheaply, and sells here at the current rate, would he be guilty of unfair competition unless the contrary were proved?

Mr. ISAACS.—In the case put by my honorable friend, the importer would immediately answer the whole case by saying, "I am not entering into unfair competition, because I am selling my goods at the same price as is every one else."

Mr. WILKS.—It will be "good-bye" to all bargain sales.

Mr. JOSEPH COOK.—That is shutting off the consumer with a vengeance.

Mr. ISAACS.—Many of these questions answer themselves. It is further provided that competition shall be deemed unfair—

If the imported goods have been purchased abroad at prices greatly below their ordinary cost of production where produced or market price where purchased.

All that provision does is to call upon a person who is selling goods under circumstances which are certainly extraordinary to show that his competition is fair, although on the face of it it appears to be unfair.

Mr. WILKS.—Why do not the Government wind up the Tariff Commission?

Mr. ISAACS.—Why does not the honorable member put a question that has some sense in it?

Mr. WILKS.—The Government are going behind the backs of the Tariff Commission.

Mr. McCAY.—Will the Attorney-General kindly point out where it is provided that these provisions shall be applied only to extraordinary cases? I cannot see any limitation in that respect, and that is my objection to this part of the Bill.

Mr. ISAACS.—Does my honorable and learned friend think that any person, in the ordinary course of trade, will sell his goods at prices which will not give him a clear profit on the fair foreign market value?

Mr. DUGALD THOMSON.—Traders cannot always obtain a fair profit.

Mr. ISAACS.—Business men do not carry on their business from philanthropic motives.

Mr. DUGALD THOMSON.—But they make losses.

Mr. ISAACS.—If we find that goods are being brought here in quantities and sold at prices very much below their foreign market value, as it is said they have been recently, we shall be justified in assuming that the importations are intended to run the Australian manufacturer out of the market, in order that the foreign manufacturer may afterwards hold the Australian consumers at his mercy.

Mr. DUGALD THOMSON.—They must be madmen to do such a thing, because they could sell at a trifle under the prices of the local manufacturers, and effectively compete with them in that way.

Mr. ISAACS.—There is method in their madness. I think that my honorable friend will find that the course of conduct I have described comes directly within his own definition of a destructive combine.

Mr. DUGALD THOMSON.—There is no combine at all.

Mr. ISAACS.—No single individual could afford to do as I have suggested.

Mr. KELLY.—It is done every day in the ordinary course of business.

Mr. ISAACS.—I do not wish to enter into a discussion that would be more appropriate to the Committee stage, but I am endeavouring to answer the questions put to me by honorable members. So long as I explain the meaning of these clauses as they appear to me, the advisability and the justice of the provisions may be left for consideration in Committee. The Bill contains a series of clauses providing that the Comptroller may put the Minister in motion, and that the Minister may put the Board in motion, in order that they may arrive at a determination. Clause 17 answers the question put by the honorable member for North Sydney with regard to the power of examination into the affairs of the Australian manufacturers, as well as into those of the importers. The Board has power to order an investigation of the books of both local manufacturers and importers.

Mr. DUGALD THOMSON.—My question related to the provision for restricting the amount of commission paid to agents for selling imported goods. I desired to know whether the Australian manufacturer was also to be prevented from paying too much commission to his agents.

Mr. ISAACS.—I shall defer dealing with that matter for the present. As I have said, clause 17 gives the fullest power

to the Board to look into everything. They are not required to show any favour or give any privilege to any person, whether he be an Australian or a foreign trader. Some honorable members have expressed the view that the Board is not the right tribunal to which to refer these questions — that a Judge should be selected. That view was also taken by the Government in the first instance. Long before any Bill of this nature was launched in the House, we decided to refer to a Judge all questions with which it is now proposed the Board shall deal. And we desire that now if we can bring it about. We only fell back on the Board, because we saw no other way of obtaining a good tribunal.

Mr. DUGALD THOMSON.—Why? Provision is made for a Judge in the other part of the Bill.

Mr. ISAACS.—The other part of the Bill deals with strictly judicial functions.

Mr. DUGALD THOMSON.—Many of the functions to be performed by the Board are similar to those which the Judge will have to discharge.

Mr. ISAACS.—My honorable friend will see that the other portion of the Bill deals with strictly judicial functions, because it relates to judicial decisions which will have to be given in a Court of Justice. The Board will not arrive at a judicial decision, but will merely report to the Minister. It is still our desire to appoint a Judge, if we can see our way to do so.

Mr. DUGALD THOMSON.—The Minister could provide for a judicial decision in regard to the matters which are to be referred to the Board.

Mr. ISAACS.—If we can get the assistance of a Judge, we shall be very glad to do so. Speaking personally, I should have no hesitation in advising my colleagues to so frame the measure as to provide for a judicial decision in all cases. Honorable members must understand, however, that under such circumstances, the Minister would have absolutely no discretion, because we could not expect a Judge to undertake duties of that nature, unless his decisions were regarded as final.

Mr. DUGALD THOMSON.—Then there is the parliamentary tribunal as well.

Mr. ISAACS.—Would the honorable member desire to bring before Parliament all the witnesses in every case, and the whole of the parties concerned? Would he have them give their testimony at the

Bar, and subject them to examination and cross-examination? That cannot be done.

Mr. McCAY.—Why not bring the report of the Board before Parliament?

Mr. ISAACS.—That would certainly be making it a political matter, and would, I think, be the worst solution of the difficulty. It would be undesirable to bring the parties before Parliament after their cases had been threshed out before an impartial Board.

Mr. McCAY.—All I suggested was that Parliament should be substituted for the Governor-General.

Mr. ISAACS.—I repeat that if we can possibly arrange that a judicial official shall deal with these matters, that will afford the best solution of the difficulty. The House and the country would have confidence in the Judge. If the Minister could refer to a Judge, as is now done in some cases, and the Judge took the whole matter into his consideration, and upon questions of fact, gave a decision which would not be reviewable, that would be the best way of dealing with the matter. If, however, we cannot obtain the services of a Judge, we must fall back upon the Board, subject, of course, to parliamentary control over the Minister. The Minister is responsible for his actions to Parliament, which always has it in its power to review his decisions.

Mr. McCAY.—Surely that arrangement would make the matter as much a political question as would the one I suggested?

Mr. ISAACS.—With great respect to my honorable and learned friend, I do not think so. Parliament would have the same power in this case as in regard to any other act of administration by a Minister. We know that, if we provide that this House "may" deal with the matter, it will not do so; but if we say that it "shall" be the duty of Parliament that will force the function upon it, and that would be disastrous.

Mr. DUGALD THOMSON.—Is this to be a permanent Board?

Mr. ISAACS.—No.

Mr. DUGALD THOMSON.—Is it to be peripatetic?

Mr. ISAACS.—There is to be a Board in each case.

Mr. DUGALD THOMSON.—Then we may have opposite decisions in each case?

Mr. ISAACS.—We cannot have opposite decisions on questions of fact in different cases.

Mr. KELLY.—Juries arrive at different verdicts on questions of facts.

Mr. ISAACS.—As long as we have a human tribunal we shall have difficulties, but the best human tribunal we could have would be one presided over by a Judge if we could get it. It was the desire of the Government that a Judge should deal with these matters, and, if it be possible, I should like to see that desire carried into effect.

Mr. POYNTON. — Would that mean the appointment of a Judge or a Board in each of the States?

Mr. ISAACS.—No; the suggestion is that we should have a Federal Judge to deal with a Federal matter. The honorable member would not have a State Judge to deal with a matter that concerned the whole of Australia.

Mr. POYNTON. — The appointment of a Judge to deal with these matters would mean that a man's goods would be impounded pending the settlement of the dispute.

Mr. ISAACS.—Whether we had a Federal Judge, a State Judge, a Board, or the Minister to deal with these questions, the same result would follow. We cannot make Australia smaller than it is.

Mr. KELLY.—If we had only a Judge to deal with these matters the work would be done more expeditiously than it would be by an interested Board.

Mr. ISAACS.—Undoubtedly; and the decision of one man, of course, is generally unanimous.

Mr. EWING.—It might be a "yes-no" decision.

Mr. ISAACS.—I used the word "generally." Honorable members will see from the information we have circulated that in America it was considered so important that these questions should be determined that the Expedition Act was passed to compel appeals from the primary Federal Court to go straight to the Supreme Court without intermediate appeals. On what is practically the direction—the certificate—of the Attorney-General of the United States, the Supreme Court deals at once with these appeals. I recognise, as the honorable member for Grey has pointed out, that these matters should be dealt with promptly, and that a Board of three would take longer to deal with them than would a Board of one. But I have indicated the difficulties in our way, and if they are to be overcome I think most honorable members will agree

that it would be a happy thing to solve them.

Mr. DUGALD THOMSON. — The United States has no legislation similar to the part of the Bill now under discussion.

Mr. ISAACS.—The Sherman Act is very like it.

Mr. DUGALD THOMSON.—No.

Mr. ISAACS.—Under section 6 of the Sherman Act, and section 76 of the Wilson Act, passed subsequently, goods imported in contravention of those measures are confiscated.

Mr. DUGALD THOMSON.—That provision relates to trusts.

Mr. ISAACS.—That is so in a sense, but the point is that whilst there the goods are confiscated, we do not attempt to secure such a power. All we say is that they are not to be permitted to enter Australia to destroy our manufactures and industries in the way I have described.

Mr. DUGALD THOMSON. — Why not adopt the Canadian Act?

Mr. ISAACS.—I repeat that we do not go to extremes. What we do is to modify the Sherman Act by hitting only at detrimental operations. We modify that Act by declaring that goods are not to be confiscated, but that they are to be prevented from doing damage to Australian industry. They must be taken elsewhere.

Mr. KELLY.—Does that Act deal with anti-dumping?

Mr. ISAACS.—No; but the Wilson Act deals with restraints by foreign companies upon American trade, and provides that the moment the offence is shown the goods in question shall be confiscated. As I have pointed out, there might be an innocent contravention without any intent whatever. There might be what was a restraint of trade, in fact, and yet not an injurious one, but so strong is the determination of the American Legislature to protect their industries, that even in that case the goods would be confiscated.

Mr. McCAY.—Is not the Wilson Act aimed at the very opposite of dumping—at high prices as against low prices?

Mr. ISAACS.—I have already said that, so far, the decisions have dealt only with cases relating to high prices, but we can take the restraint of trade in another direction. I think one could say "I am going to drive competition out of the market as much by cutting prices as by high prices." One might cut down competition by saying to a man "I will not sell to you except at

a very high price," or, "If you will not buy from me I will sell at prices that will run you off the road." All this amounts to a restraint of trade. It has yet to be considered by the United States Court whether such proceedings would or would not come within the Sherman Act. There has been no case of the kind so far, but one may arise at any time. I have pointed out clearly to the House that there are no such words expressly embodied in the Sherman Act, but we have put them clearly and strongly in the Bill now before us. I believe that I have explained this measure as far as I possibly can. I have pointed out the difference between American legislation and our own, and I think that in these circumstances we have shown a very good case for the passing of this Bill. I am gratified to hear that we shall have the assistance of some of my honorable friends opposite in establishing at least the main principles of the Bill, and I would point out that that having been done the difficulties can be easily adjusted.

Mr. JOSEPH COOK.—I should like to hear what is the necessity for this Bill.

Mr. ISAACS.—The honorable member himself let fall some encouraging words when he said that there was a distinction between constructive and destructive competition. It is only the destructive competition at which we are aiming.

Mr. JOSEPH COOK.—The successful competition.

Mr. ISAACS.—No; "constructive and destructive competition" was the expression used by the honorable member.

Mr. JOSEPH COOK.—That is right; but this Bill aims at successful competition, whether fair or otherwise.

Mr. ISAACS.—There are successful burglars, and we should hit at them, too. The honorable member also told us that there was a kind of dumping to which he objected. I was delighted to hear him admit that he was very much opposed to destructive dumping driving industries down to industrial earth. That is what we are seeking to prevent. It is refreshing to hear that dumping is not always beneficial. It has often been pointed out by my honorable friend, and some of those associated with him, that dumping can never do any harm—that it is beneficial to all consumers; but I am glad that my honorable friend concedes the point that there is a kind of dumping that drives the native industries down to industrial earth.

Mr. JOSEPH COOK.—The honorable and learned gentleman evidently did not hear what I said.

Mr. ISAACS.—I shall be surprised if we do not find in print the words which I attribute to the honorable member, and which were noted by one or two honorable members on this side of the House. I quite agree with the honorable member for Paramatta that that is the kind of dumping we should seek to suppress. We have before us a Bill which we regard as of great importance and of enormous interest to Australia—a Bill which has a value far beyond any fiscal worth. We have been told that we should have waited for the final reports of the Tariff Commission. This measure, however, has nothing to do with the Tariff Commission. A Tariff is intended to give the necessary protection and stimulus to native industries in the ordinary operations of commerce. This Bill, on the other hand, is directed, not against the ordinary operations of commerce, but against the extraordinary operations of those who wish to crush our industries at all hazards, and in spite of any Tariff we can pass.

Mr. JOSEPH COOK.—There is not a tittle of evidence of such a desire.

Mr. ISAACS.—I must be forgiven for differing from the honorable member. I have expressly refrained from giving particular cases, because in some instances they are the subject of judicial consideration, and I might do an injustice by mentioning names.

Mr. KELLY.—Is that why the Minister of Trade and Customs dealt rather fully with certain cases?

Mr. ISAACS.—I am not going to do so. I have studiously refrained from saying anything about them. I think there is a sufficient basis for the belief that, independently of Tariffs—over and above Tariffs of all kinds, there is a necessity to protect industry. Free-traders and protectionists alike ought to agree that a measure like this should be assisted. Let us take a free-trade industry—one that has no protection at all. Why should those engaged in such an industry be driven out of it by the overpowering influence of a foreign capitalist? Why should not free-traders sink the fiscal issue in respect to this question at all events, and help to maintain the integrity of Australian industry? The importance of this Bill cannot be over-estimated, and instead of its being set aside as a fiscal document, we should all unite

and see that Australia, in point of industry, is placed in front of all other considerations in relation to every other part of the world.

Mr. LONSDALE (New England) [10.12].—If proof had been given that there is unfair competition in relation to any industry in Australia there would have been some reason for this Bill, but neither of the Ministers who have yet spoken has shown that anything of the kind has occurred or even now exists. We have had from the Minister of Trade and Customs the admission that this Bill is aimed especially at two foreign firms carrying on business in Australia.

Mr. WILKS.—What are their names?

Mr. LONSDALE.—They were mentioned by the Minister of Trade and Customs—the International Harvester Company and the Massey-Harris Company. The statement has been made that they are unfairly competing with manufacturing interests here, and that consequently a drastic Bill like this must be introduced to prevent such competition. The Attorney-General, who has just resumed his seat, gave us a long disquisition on the American law, and what it has done, but he has not attempted to show that unfair competition is taking place here. Although he was invited by interjection to do so, he carefully abstained from accepting the invitation. He has indicated practically that notwithstanding all the legislation of the United States, trusts are still rampant and powerful there to-day. Every law passed there has failed to prevent trusts from carrying on their operations and securing a firm grip upon the commerce of the country.

Mr. WEBSTER.—Does the honorable member say that because they have failed no other attempt should be made?

Mr. LONSDALE. — I say that their failure is perhaps an indication that this Bill will fail. We should base our arguments on experience. The experience of the past is the wisdom of to-day, but I do not expect the honorable member to be guided by it. What injury do the American trusts inflict upon other countries? When one inquires into the operation of trusts in America one finds that they are injuring not foreign countries, but their own people. They keep up the prices of the material to their own people, whilst they sell at cheaper prices to other nations. We have an admission in the speech of the Minister of Trade and Customs that such is the fact. One cannot read American

literature without realizing that it is the case. The opinion of those who suffer is that what develops the trusts in America is what we have been trying to fight here to-night. Protective duties enable the American manufacturers to keep out the competition of the world, and to obtain from their own people a higher price for their products, whilst they sell at cost price to the people of other countries. I have taken the trouble to get some information about this subject, and to make some extracts, as I could not find very much information in the Minister's speech. So far as I can judge, there is no unfair competition here. The two companies I have alluded to were in a combination with the agricultural implement makers in this State. They are placed under no disadvantage, because the importing expenses, with the duty added, amount to about £20 per machine. Although they enjoy all that advantage, yet they claim that they are being interfered with, and that the competition is unfair. It appears to me, however, that they would be able to completely destroy foreign competition, if they would only sell their machines at a fair price. But, seeking to get the highest possible price, they entered into a combination for that purpose, and then they appealed to the Minister of Trade and Customs to raise the value of the imported machine, so that the duty might be increased, and he yielded to their request. In the press we read of a cry about how the local industries were being strangled, but when we come to examine the evidence of local manufacturers before the Tariff Commission, we realize that their machines ought to be sold for considerably less, and under the present duty could be sold at such a price as to absolutely shut out foreign harvesters. It is the local manufacturers who have helped to keep up the price against the farmer, but the Bill is brought in to protect the former, and not the latter. My objection to its enactment is that it is supporting a local monopoly. In America it is the local trusts which have created all the trouble and difficulty. The Minister of Trade and Customs wanted to make out the other night that the steel trust of America is a great competitor in the Commonwealth. The figures he gave are about the same as those which I took out. In 1904 our total importations of all kinds of agricultural implements, manufactures of metals, machines, and machinery, amounted to between £6,000,000 and £7,000,000.

Mr. ISAACS.—Speaking from memory, the imports for 1905 amounted to £7,250,000.

Mr. LONSDALE.—The Minister of Trade and Customs said that in 1904 the imports of these articles amounted to £6,980,000. According to my figures, the imports in that year amounted to £6,517,793, but I left out some articles, such as electric appliances. Out of that sum, £1,360,441 worth came from America, £636,327 worth from Germany, £4,280,255 worth from Great Britain, and £260,770 from other countries. Three-fourths of our total imports of articles came from Great Britain, and as not one-fourth came from America the Steel Trust cannot send very much here. A great proportion of the American imports did not come from the Steel Trust, but from such companies as the International Company, the Steel Implement Company, vehicle and motor companies. Even if we were to credit all the American imports to the Steel Trust, not one-fourth of our imports would come from that quarter. Some of those persons who have to take their iron and steel from the Steel Trust make this statement in the *Farm Implement News* of 28th December, 1905—

A few brief years ago we could all buy iron as low as \$18 per ton, whereas we must now pay approximately \$40 per ton, and a corresponding advance for everything in the metal line. When iron was sold for \$18 per ton the methods of production were crude and expensive as compared with methods now in use. Improved methods and machinery have greatly reduced the cost of production, and yet prices continue to advance. Prices should have materially declined.

Mr. WEBSTER.—Does not the honorable member see that there is some cause for interference there?

Mr. LONSDALE.—In America there is a cause for interference, and those who are interested point out the steps which should be taken. Of course the argument has been used that when iron and steel was sold at \$18 a ton, it was sold at less than cost, and that, in consequence, a crisis was brought about—

Less than two years ago the President of the Great Steel Corporation testified—

This was before a Select Committee in America, which was dealing with this question—

that bar iron and steel could be produced at a profit for \$12.50 per ton, and for steel we must pay \$40, or over 200 per cent. profit.

Those who wished to use steel in America had to pay \$40 a ton, when, as testified before a Committee, it could be produced at \$12.50. The steel magnates, in order to try to excuse themselves, told the story that the low price of iron brought about losses and in consequence depression.

The steel magnates tell us that when iron was sold at \$18 per ton it was a breeder of panics, but we recall the fact that in 1893 the Carnegie properties were valued at less than \$10,000,000, and that after five years of panic and \$18 prices Mr. Carnegie sold his interests alone in these properties for \$360,000,000. This was 360 per cent. profit in five years, or 72 per cent. annually, and at panic prices, too.

Out of the American people, the trusts and combines are making their profits, and they are doing that because the world's competition has been stopped. If we are to have monopolies here, they will be developed in just the same way. If we are to pass a Bill which is to destroy competition with the manufacturing industries of these States, it will bring about exactly what is brought about in America by means of trusts and corporations. While, of course, it would be of little use for me to vote against the second reading of the Bill, I shall seek to take such a course as will make its provisions very much less drastic than they are. The *Farm Implement News* of 11th January, 1906, says—

Two suggestions are offered relative to conditions that enable the steel trust to rob the public by exacting exorbitant prices from manufacturers. The first is the Tariff.

According to those who have to deal with the Steel Trust, and to purchase their product, the Tariff is the great cause of the evil in America. It is not the fact that they are able to combine as they do, but the shutting out of the world's competition, which enables the Steel Trust to increase their prices to the extent that they do.

Mr. WILKS.—The next thing they will do will be to capture the railways.

Mr. LONSDALE.—The article deals with the question of the railways. It says—

If the President succeeds in his efforts to secure a square deal for all shippers, one source of the steel trust's power to crimp competition will be shut off. . . . But the Tariff stands unchallenged by the President, and warmly supported by influential statesmen, as statesmen go, who declare that the Dingley schedules shall remain unchanged.

Right through, these gentlemen take up this position, that the one way to get rid

of the trusts is by means of altering the Tariff.

The only limit to the price on these semi-finished products is the level on which foreign goods can be brought in freight, insurance, duty paid. For instance, in 1902 steel billets were gradually advanced until they reached \$33, at Pittsburg. At this crisis Germany and Belgium shipped us several hundred thousand tons of billets, paying freight and \$6.72 duty. The trust, realizing that it had carried the game too far, first endeavoured, through its political interference, to secure a ruling raising the duty on billets to \$8.96 per ton by classing them as bars.

That is what was attempted to be done here. But the manufacturers failed to get it done in America. The manufacturers of harvesters in this country, however, did not fail to get it done. In America, those interested fought the trust very strongly, and defeated them. Shortly after that, the price of billets declined, and importing stopped. In other words, when the trust was not able to get an increase in this way, they brought down their price and stopped importation. That is exactly what the harvester people could do here. They make very large profits. They can reduce prices so as to shut out importations under the present duty. Such being the case, there is no reason whatever for this Bill. The company refused to allow its books to be seen even confidentially by the Tariff Commission, because it knew full well that it had made large profits out of the farming community. Yet this Government, which professes to be the friend of the people, proposes to assist the harvester people to make even larger profits, by bolstering them up and protecting them from foreign competition. We are told what will be unfair competition within the meaning of this Bill. If an importer should happen to buy something cheap in the old world, and bring it out and sell it at a lower price than other people, that will be unfair competition. But let me remind honorable members that the season in England and in France often permits importers to purchase goods at advantageous prices in Europe. Those bargains are brought out to this country and sold in the season following the season in which the goods were fashionable in Europe. If this Bill passes in its present form, that could no longer be done, because such competition would be regarded as unfair. Again, under this Bill, it will be impossible for the people of Australia to get the advantage of cheaper production arising from improvements in methods of manufacture. Those improvements would

not be introduced into Australia if the manufacturers here refused to adopt them, and chose to adhere to their old methods. Under this Bill, cheaper methods of production and improvements in machinery would be condemned as unfair competition, because they would be liable to bring down wages. It appears that all the improvements of the old world are to be shut out of Australia, because our Government wants to keep two or three manufacturers living on the people instead of those manufacturers being compelled to keep their machinery and plant up-to-date. I remember reading the evidence of the works manager of the Clyde Engineering Company, New South Wales, before the Tariff Commission. He said that it cost his company £85 per machine to manufacture harvesters, and yet they had to sell them at £84 each. The manufacturers of harvesters in this State can make them for much less than that. If the Clyde Engineering Company, of New South Wales, cannot make them as cheaply as they are made here, would it be right to shut out the Victorian manufacturers from competing in New South Wales? It would be an absurd thing to do. In these days, every industry ought to seek to adopt the most improved methods of carrying on business. Yet this Bill is aimed at preventing the very competition that gives rise to improvements. Cream separators were purchasable some years ago for £50 each. They can be purchased for about £25 to-day. The improved cream separators will do twice the amount of work of, and are more easily manipulated than, the older machines. But if we had a company here making cream separators in the old style we could not get the improved machines under this Bill, unless the manufacturers resolved to put in the proper kind of machinery. The whole thing is a delusion. The statements in favour of the Bill are simply made to create a panic in the minds of the working men, so as to get their votes, whilst in reality there is no foundation for the allegations. With regard to the position of the agricultural implement-making industry, I may state that in 1900 there were 1,151 hands employed in Victoria, and the output was of the value of £244,544. The number of hands employed in 1904 was 1,496, an increase of 345; whilst the output was £431,476, an increase of £186,932. The total import of agricultural implements into the whole Commonwealth, including harvesters,

reapers and binders, rakes, drills, and everything else, was of the value of £332,156. Those are the figures of the Minister of Trade and Customs. They mean that if the whole of the implement industry were captured by local makers, and all the imports were shut out, only 600 men would be employed in addition to the number employed to-day.

Mr. WEBSTER.—At what wages?

Mr. LONSDALE.—At current rates.

Mr. WEBSTER.—How many would be supported indirectly?

Mr. LONSDALE.—If all the men were married and had five children each 3,600 persons would be affected; but, as a matter of fact, a considerable number of the 600 would be boys. We are passing a Bill of this drastic character to accomplish the purpose of possibly finding employment for 600 additional hands. The thing is an absurdity. As a matter of fact, I do not think that additional employment would be given to 600 hands, because it is well known that the output of a factory can be increased with a smaller number of hands proportionately. The more this proposal is examined the more it will be realized what a little thing has created all this trouble. I remember the Attorney-General waxing eloquent on the subject last session, and saying that a number of people would not get their Christmas dinner if the Bill then before Parliament was not passed. Any one must see that the manufacturers already enjoy an enormous natural protection. The importing firms must incur considerable expenditure before they land their goods in Australia. That puts the local manufacturers in a much better position to capture the trade. The honorable member for Bland made a speech in Brisbane some time ago, in which he dealt with this subject. He is reported in the *Brisbane Courier* on 14th June, 1905, to have said—

There was nothing short of absolute nationalization of these trusts that would cure the evils they represented.

The honorable member means that the State is to take over the manufacture of these goods.

Mr. WILKS. — He cannot support this Bill, then.

Mr. LONSDALE.—He professes to support it. That is the position he takes up. The idea, of course, is to do away with private enterprise as far as possible. In

this matter what we desire is fair competition, and not that we shall be shut off from the best that the old world can give us. We do not desire to be separated entirely from the people of other nations. This cry of "Australia for the Australians" is, to me, a bogus cry. That kind of thing cannot be brought about. It is merely an election cry, and there is nothing at all behind it. If honorable members opposite propose to keep Australia entirely separate from the rest of the world, they will very soon find themselves in difficulties. "China for the Chinese" has been the cry and the policy of Chinamen in the years which have passed, and if a different policy had not been forced upon them they would have continued in their old exclusiveness. The men who talk of "Australia for the Australians" would like to keep this country in the condition in which China has been kept for so long. I would remind honorable members opposite that Socialism is, to a very large extent, in operation in China. If we desire that this country of ours shall progress and reach a higher position, we must adopt some other policy. If we desire to retard its progress in every way, we shall pass such legislation as this, impose high protective duties, and go in for nationalizing our works. We shall thus make a China of Australia, with all the exclusiveness of the Chinese, and shall reduce this country to the position occupied by China to-day. I shall do all I can to modify the drastic provisions of the Bill. While endeavouring to insure fair competition, I shall not support anything which would stop competition. The intention of the Minister of Trade and Customs in introducing the Bill is to stop competition, whatever the Attorney-General may say. So far as I am concerned, I shall seek to have its administration placed in the hands of a Judge. I shall certainly not trust the present Minister of Trade and Customs to deal with these matters. So far as I am able, I shall do what can be done to take the administration of the measure out of his hands, because no one can read the honorable gentleman's speeches without realizing that if he is given the power he will discover that there is some unfair competition in order to prevent importations, and thus, instead of our farmers being benefited, they will be injured.

Debate (on motion by Mr. CULPIN) adjourned.

House adjourned at 10.49 p.m.

Senate.

Wednesday, 20 June, 1906.

The PRESIDENT took the chair at 2.30 p.m., and read prayers.

STATES DEBTS.

Senator PEARCE.—I desire to ask the Minister of Defence, without notice, whether he will endeavour to obtain from the Premier of New South Wales a copy of the recent memorandum by Mr. Coghlan, its Agent-General, on the subject of the proposed transfer of States debts, and lay it upon the table of the Senate?

Senator PLAYFORD.—I shall be very pleased to do so.

PAPERS.

MINISTERS laid upon the table the following papers:—

Report by Senator Staniforth Smith on the systems of government, methods of administration, and economic development of the Malay States and Java.

Ordered to be printed.

Papers concerning the promotion of P. J. De Gruchy, Postmaster-General's Department.

Report of Old-age Pensions Commission.

Military Forces regulations, addition to paragraph 57, and amendment of paragraphs 130 and 216, Statutory Rules, 1906, No. 44.

The CLERK laid upon the table the following paper:—

Return to an Order of the Senate of 15th June, giving the resolutions of a conference of officials and fruit exporters, in Sydney, on the 30th April, and from the 1st to the 5th May.

Ordered to be printed.

NON-COMMISSIONED OFFICERS: VICTORIA.

Senator PEARCE asked the Minister of Defence, *upon notice*—

1. Have any non-commissioned officers of the instructional staffs or military clerical staffs applied to be granted promotion under a Victorian Standing Order which existed prior to Federation, which provided that N.C.O.'s and military staff clerks after ten years' service would be entitled, on recommendation, to be promoted to the position of and class warrant officers?

2. If such applications were made was any such promotion granted?

3. If it was refused, on what grounds was the refusal made?

Senator PLAYFORD.—The answers to the honorable senator's questions are as follow:—

1. One non-commissioned officer of the Instructional Staff, and one Military Clerk, applied for promotion under the Standing Order referred to, in September, 1903, and January, 1906, respectively.

2. No.

3. The Standing Order referred to read as follows:—

"Battery and Company Sergeant-Majors of the Permanent Forces, after ten years continuous service in that rank, and Military Staff Clerks of rank of Quartermaster-Sergeant, after ten years service with rank not less than that of Sergeant, may, on the special recommendation of their respective Commanding Officers, be promoted to Second Class Warrant Officers."

It will therefore be seen that no non-commissioned officer was entitled to promotion, nor was any right to same conferred.

In the case of the non-commissioned officer of the Instructional Staff, the application was refused because it was received when the classification of the Instructional Staff was under consideration, and his position was subsequently graded below that of a Warrant Officer.

With regard to the Military Clerk, his application was refused because the position he occupies does not carry with it the rank of Warrant Officer.

He is also very junior of his class, and, if promoted, he would supersede in rank a number of Military Clerks who are his senior. The Standing Order referred to, moreover, was cancelled on the 1st March, 1904 (nearly two years prior to his application), when the Regulations under the Commonwealth Defence Act came into force.

So far as he was concerned, the application could not be dealt with under the Victorian order, because it was superseded by our own regulation.

Senator PEARCE.—It was a transferred right!

Senator PLAYFORD.—There was no transferred right in his case.

SUGAR LABOUR COMMISSION.

Senator DOBSON asked the Minister of Defence, *upon notice*—

1. When does the Government expect to receive the report of the inquiry into the question of labour on the sugar-fields of Queensland?

2. Will the Government, after they have received such report, inform the Senate of their intentions in reference to the repatriation of kanakas introduced into Queensland?

Senator PLAYFORD.—The answers to the honorable senator's questions are as follow:—

1. About the end of this month.

2. Yes, in connexion with the advices that have been asked for from other sources.

EMINENT DOMAIN BILL.

Motion (by Senator KEATING) agreed to—

That leave be given to introduce a Bill for an Act relating to the acquisition by the Commonwealth of land required for public purposes, and for dealing with land so acquired, and for other purposes connected therewith.

OFFICIAL PUBLICATIONS.

Motion (by Senator Col. NEILD) agreed to—

That copies of all official publications of the Commonwealth, particularly regulations, actual or proposed, issued or proposed to be issued under or by virtue of any Statute, should, upon publication, be forwarded to Senators and Members of the House of Representatives.

DESIGNS BILL.

SECOND READING.

Senator KEATING (Tasmania—Honorary Minister) [2.40].—I move—

That the Bill be now read a second time.

Since our last meeting, honorable senators have had an opportunity of considering the provisions of this Bill. I think they will have recognised that, though comparatively small in size, it is of considerable importance. It proposes to place a class of industrial property, namely, designs, which are extensively used in the arts and manufactures, upon the same plane as, in one sense, patents of inventions or other works which may be the product of the brain, and which may be protected to the benefit of the author by means of our copyright legislation. But, apart altogether from those circumstances, the matters dealt with in the measure have another relation to such subjects as patents of inventions, trade marks and copyrights. Our authority for legislating on this subject is conferred by section 51 of the Constitution Act in these terms—

The Parliament shall, subject to this Constitution, have power to make laws for the peace, order, and good government of the Commonwealth with respect to:—

XVIII. Copyrights, patents of inventions and designs, and trade marks.

Then, again, the subject-matter of the Bill is related to those other allied matters in yet another way. As honorable senators are aware, various countries have from time to time entered into conventions by which they mutually bind themselves each to protect, within its own sphere, rights enjoyed by residents in the other countries, parties to the conventions in, as far as

possible, practically the same way as it protects corresponding rights for its own subjects. When we were dealing with the subjects of copyright and patents, that particular aspect of international arrangement came before us. With regard to designs, we find that Great Britain is a party to a convention, which has been entered into by most of the leading countries in Europe, by which mutual protection is assured to residents in each of such countries in respect of patents of inventions and designs and trade marks. Although this subject has not engaged much political controversy, either in Great Britain or in any of its dependencies, still it will be interesting to outline the manner in which it has been dealt with by the legislation of Great Britain. The first English legislation on the subject-matter of designs was enacted in 1787, and it was followed in the same reign—only two years afterwards—by an Act known as 29 George II., chapter 19—which also was supplemented five years afterwards by an Act known as 34 George II., chapter 23. All three Acts had for their object the protection to the author of an industrial design of the right to exclusively use the design, and apply it in connexion with the manufacture of articles. At that particular stage, however, the application of these Acts was confined to Great Britain. It did not extend to Ireland, nor did the Acts bring within their scope other fabrics than linen and cotton. The Act extended only to the application of designs to materials or articles manufactured of linen or cotton, but as other articles were being extensively used, and continued to increase in use, it was found necessary early in the reign of Queen Victoria, namely, in 1839, to deal legislatively with articles manufactured from substances other than linen or cotton. Consequently in that year legislation was passed—the Statute, 2 Vic., Ch. 13—by which the provisions of the Acts passed in the reign of George III. were extended to Ireland, which had since come into the union, and were also extended generally in the direction of covering articles which might be manufactured out of any animal or vegetable substance or a combination of both. That was the position of the law with regard to designs in Great Britain in the early part of the reign of Queen Victoria. But although its legislation with regard to these matters went back as far as

1787, Great Britain had lagged behind to some extent. Half a century before, France had applied itself to the consideration of the question of exclusive property in designs that might be originated by any individual. As early as 1737—or half a century before Great Britain first gave attention to these matters—France proceeded to deal with them. By a series of enactments in 1737, 1744, and 1787 the author of a design in France was placed in a well-protected position so far as regards the application of that design to any article relating to any branch of arts, crafts, or manufactures. So beneficial was this law that persons who are competent to judge have asserted, on more than one occasion and in more than one place, that France may largely attribute its pre-eminence in regard to many articles of excellence or *virtu* to the fact that those who applied themselves considerably to the origination of artistic designs in relation to arts and manufacture received such a sufficient protection against their unauthorized use that a great stimulus was given to this branch of thought, study, and investigation. The learned author of the *Law of Copyright*, Mr. Copinger, in the fourth edition of his work, diverges—although, as honorable senators well know, text writers on a branch of the law very rarely do—to comment upon this significant fact. At page 406 of the fourth edition of Copinger on the *Law of Copyright* it is pointed out that—

In the early part of the last century the French entertained more correct notions of the rights of property in design than the British, and so convinced were they that great benefits would flow from rejecting the claim of the copyist to reap the original designer's profits, that, in 1737 and 1744, laws established a property in designs for the manufacturers of Lyons, and in 1787 the benefits of legal protection were fully established.

He then goes on to say—

The basis of the pre-eminence of the French, and the means by which they have attained their unrivalled position in *taste*, is *efficient protection*, and it is certainly singular that this fundamental element and primary cause of superiority should have been so long overlooked in this country.

I have indicated, in tracing the development of legislation on this subject, that in the early years of the reign of Queen Victoria an Act was passed which considerably extended in two ways the three Statutes of the reign of George III. It extended the application of those Acts territorially, by

including Ireland, and substantially by including within them articles which had not been previously covered. Since that Act was passed legislation relating to designs has assumed definite shape. Early in the reign of Queen Victoria designs were separated into two classes for the purposes of legislative enactment. One class consisted of designs, the object of which was purely ornamental, whilst the other consisted of designs, the object of which was their application to articles of practical utility. I do not know exactly what was the reason underlying this division, but the fact remains that it was made. Copyright in designs which were primarily or purely for ornamental purposes were regulated by the Act 5 and 6 Vic., ch. 100, while other designs with regard to the shape or configuration of articles of practical utility were dealt with in the Act 6 and 7 Vic., ch. 55. These last-named Statutes were amended in many details by an Act passed in 1883. In that year the comprehensive enactment known as the Patents, Designs, and Trade Marks Act of Great Britain was passed, by which the whole of the law with regard to designs was placed on a uniform basis, and the statutory law of designs in Great Britain clearly set out. This Act, which made no distinction between designs intended for purely ornamental purposes and those to be applied to articles of practical utility, has since been amended by several enactments, but not in any very important particulars. The law in England to-day with regard to designs is contained in what may be described as the Patents Designs and Trade Marks Acts of from 1883 to 1888. Coming now to the position in the Australian States, we find that in the seventies, New South Wales passed its Copyright Act, and that its statutory law with regard to designs is embodied in that measure. That Act, as honorable senators will see, was passed before the British Parliament dealt with the comprehensive measure to which I have referred, and which, so to speak, codified the statutory law relating to designs. Victoria passed its Copyright Act in 1890, and included in it its statutory law with regard to designs. That law in the main was based on the provisions of the English Acts running from 1883 to 1888. Queensland adopted legislation covering the registration of designs and their protection in 1884, 1886, and 1890, following, in each instance, the legislation that had been adopted in Great Britain

between 1883 and 1888. The South Australian Copyright Act of 1878 deals, amongst other things, with the registration and protection of designs, but it differs from the Imperial legislation and that of the other States, in that it omits the provision for separate classes in respect of which designs may be applied. It also omits certain provisions enabling a registration to be amended. The Parliament of Tasmania, in 1893, passed an Act—which, I think, came into force in January, 1894—dealing with patents, designs, and trade marks, and it practically adopted the English Statute of ten years previously. With this brief sketch of the legislation of Great Britain and the various States upon this subject, honorable senators will be prepared, no doubt, to enter upon a consideration of the provisions of the Bill now before us. It is in one sense what may be called a machinery measure. We have passed legislation relating to patents and trade marks, and it is open to us, on fulfilling certain conditions, to obtain in the United Kingdom and in other countries with which the United Kingdom is in convention, reciprocal advantages in respect to our patents and trade marks, by according to the people of the United Kingdom and the other countries referred to corresponding advantages and benefits in the Commonwealth. Before we can secure these, however, it is essential that the legislation we have passed on this subject shall be perfected by our providing adequate laws to cover the protection not only of patents and trade marks, but also of designs.

Senator DOBSON.—What is the advantage of dealing separately with the several subjects? Is it considered that several Acts are more advantageous than one comprehensive measure?

Senator KEATING.—So far as I am concerned the time for the consideration of that point has passed. Possibly previous Governments considered that it was better to deal with all these extensive matters independently—that there would be a greater chance of getting the necessary legislation step by step than there would be if one comprehensive measure dealing with the whole of these subjects were introduced. At any rate, correspondence between the Governments of the Commonwealth and of the United Kingdom has revealed that we are not entitled to the measure of international protection which Great Britain obtained for herself and her Colonies by the Convention

of 1894 unless our legislation covers the whole field of patents, designs, and trade marks. I would draw the attention of honorable senators to the circumstance that in every respect possible this Bill is framed on lines similar to those of our Patents Act and our Trade Marks Act. Provision is made in it for the appointment of a Registrar of Industrial Designs. I hope honorable senators will not assume that that necessarily means the creation of an office to be filled by some person not now in the service of the Commonwealth. Provision is also made for the establishment of a central Designs Office, which shall have its seal just as have the Patents and the Trade Marks Office. As honorable senators are aware, the administration of both the Patents Act and the Trade Marks Act is at present centred in one officer, Mr. Townsend. The Bill makes provision for the transfer of the administration of the several Designs Acts of the States to the Commonwealth. The transfer will be effected by proclamation by the Governor-General. The Bill goes on to provide that the effect of the proclamation shall be the cessation of the administration of the Designs Acts by the several States Governments, the transfer immediately and the vesting in the Commonwealth of the obligations in respect of that administration in the States, and the saving of existing or accruing rights. That provision corresponds with what is to be found in similar measures dealing with matters of this kind. The Bill may be said to be a legislative expression of the English law as it exists at present. The English statutory law is found in the Patents Designs and Trade Marks Act of 1883, subsequently amended by Statutes up to as far as 1888. That legislation, together with what has been the interpretation of it by the Judiciary in Great Britain, may be said to be the substance of this Bill. There are provisions in the Bill entitling the author of a design to obtain registration at the Registry for Designs in the Commonwealth, and on registration, to obtain a copyright, with the exclusive right of applying the design to articles of manufacture for a period of five years. The copyright, of course, applies only to the design itself; it does not apply to any particular article, as an article, which may have the form of that particular design. There are different classes of goods in respect of which the design may be applied. Under the Eng-

lish Act there are, I think, twelve or fourteen classes, and provision is made in the Bill that the registration may prescribe different classes. Of course, if a person applies for the registration of a design, and desires to have the exclusive right to apply it to any particular class of goods, he must, in respect of each particular class, make a separate application. According to the rules under the English Patents Designs and Trades Marks Act of 1883, the articles of manufacture and substance are by rule classified as follows:—

1. Articles composed wholly or chiefly of metal, not included in class 2.
2. Jewellery.
3. Articles composed wholly or chiefly of wood, bone, ivory, paper-mache, or other solid substances not included in other classes.
4. Articles composed wholly or chiefly of glass, earthenware or porcelain bricks, tiles, or cement.
5. Articles composed wholly or chiefly of paper (except hangings).
6. Articles composed wholly or chiefly of leather, including bookbinding of all materials.
7. Paper hangings.
8. Carpets and rugs in all materials, floorcloths, and oilcloths.
9. Lace, hosiery.
10. Millinery and wearing apparel, including boots and shoes.
11. Ornamental needlework on muslin or other textile fabrics.
12. Goods not included in other classes.
13. Printed or woven designs or textile piece-goods (a).
14. Printed or woven designs on handkerchiefs and shawls (a).

According to the terms of section 47 of the Act of 1883, to entitle a design to be registered it must be—

1. New and original (b); and
2. Not previously published in the United Kingdom.

Senator DOBSON.—Although the copyright is in the design, and not in the article, still there has to be a separate application when it is desired to apply the design to a different article.

Senator KEATING.—If that article comes in a different class. It is obvious that some designs might be applicable to paperhangings under class 7 under the English Act, and also applicable to carpets and rugs under class 8, while not possibly applicable to articles, chiefly of glass, earthenware, or porcelain.

Senator DOBSON.—If a class or two be omitted under the regulations, any man may pirate a design?

Senator KEATING.—Such a man would have the opportunity to apply the design to that particular class of goods; there

would be no exclusive right in regard to that class.

Senator Sir JOSIAH SYMON.—Then there is not much benefit from the Act?

Senator KEATING.—That is the provision everywhere.

Senator Sir JOSIAH SYMON.—Not under the English Act, which is differently framed in that respect.

Senator KEATING.—I think the honorable senator will see that we are following the English practice. We have not adopted the classification formed by the rules under the English Act, but we have followed an analogous procedure to that adopted in Great Britain for classifying the goods by regulation.

Senator DOBSON.—If there is a regulation setting forth the classification, the hardship will not be so great.

Senator KEATING.—That is the position. We might, for instance, adopt the English classification, or depart from it in some respects.

Senator Sir JOSIAH SYMON.—Will the Minister mention which clause gives power to make regulations classifying the articles?

Senator KEATING.—The clause giving the general power in regard to regulations. However, at this stage I am pointing out the general principles on which the Act in the old country and the Acts in our own States have been administered, and showing that the copyright secured is copyright in the design itself. It entitles the holder of a copyright to the exclusive right to apply or use that design, so to speak, in regard to articles of manufacture in the particular classification in respect of which he may apply.

Senator DOBSON.—Why not provide that copyright in a design shall apply to all articles, and so save any risk?

Senator KEATING.—If that is done, the applications are treated as applications in respect to each class.

Senator Lt.-Col. GOULD.—I see that a design has to be used within twelve months, or otherwise it is void.

Senator KEATING.—Yes.

Senator DOBSON.—Suppose the regulations leave out a class, can the design be pirated?

Senator KEATING.—I do not see how the regulations could very well do that, if they are framed with any regard to the circumstances. We shall be bound, I think, to have one regulation comprising all other classes not specifically described.

Senator DOBSON.—That would be a very loose regulation.

Senator KEATING.—If there were fourteen or fifteen classifications of goods, nobody would be in a position to say that these classifications exhausted all possible goods; and it would be necessary and desirable, I think, to have an additional provision to cover all classes not specifically enumerated.

Senator DOBSON.—But that appears to be inconsistent with the Minister's dictum that the copyright is in the design itself.

Senator KEATING.—I shall be able to give the honorable senator many instances to support my view. The books teem with instances in which the distinction is shown. In the case of *Walker, Hunter, and Co. v. The Falkirk Co.*, which went through several of the Courts, it is stated in *Coppinger*—

A design may be the subject of copyright, though it depict an article incomplete in itself, but which is intended to be used in combination with and as part of another article of manufacture, *e.g.*, a door of a kitchen range.

Although I have not the particular references in the text-book under notice just now, the Judges drew the distinction between the design itself, as the subject of copyright, and the particular article to which it was applied. If I remember rightly, it was pointed out in another case, by way of illustration, that a particular article might be the subject of a patent, and yet that the design which appeared on the article might also be the subject of exclusive right or copyright. I think that a lamp was given by way of illustration; and it was shown that there might be a particular method or means of bringing the air into the flame, and a particular method or means of drawing the oil up from the reservoir, each of which might be the subject of patent rights. And yet design might be used in respect of such a lamp which was the exclusive property of somebody else altogether. It is not the article, but the design—the shape or configuration—that forms the subject of the copyright.

Senator Lt.-Col. GOULD. — In other words, three different people might have rights in an article.

Senator KEATING.—That is so.

Senator DOBSON.—But the copyright in design would apply to all lamps, I presume?

Senator KEATING.—Quite so; whether these were in other respects patent or not.

Senator DOBSON.—There would not be a class within a class?

Senator KEATING.—No. The Bill contains further provisions with regard to applications for the registration of designs. It is the author of a design who is empowered to make application, and provision is made as to what particulars in general he shall supply to the Registrar, and what copies of the design he shall furnish. Of course, the Bill contains provisions for such contingencies as the death of the applicant before the granting of the application, or for amendments of the application if he should think it necessary. The Registrar is empowered to consider applications that may be made, and to grant them by registering the design and issuing to the applicant a certificate of registration, or to refuse to register, on the ground that the design is not new or novel, or does not come within the conditions laid down as the basis of registration. If the Registrar in any instance refuses an application, the applicant has the right to appeal to the Law Office in the same way as under the Patents Act. There is an additional condition imposed on the successful applicant for registration. He must within twelve months after he has obtained registration, substantially use the design or cause it to be used in the case of goods or articles manufactured or produced in Australia. That, I think, is a very desirable and necessary provision, which corresponds to some extent with the English Act, being in similar, though not exactly the same, words.

Senator Lt.-Col. GOULD.—What is the difference?

Senator KEATING.—The English Act provides that if a design is used in a foreign country, and it is not used in the United Kingdom within six months of its registration the copyright shall cease.

Senator Lt.-Col. GOULD.—That does not apply to the case of a design in the old country itself? In the case of a copyright obtained in Great Britain, it would not be compulsory on the owner of it to manufacture.

Senator KEATING.—I think not. If a design is registered in Great Britain and is used in a foreign country—

Senator Lt.-Col. GOULD.—A design in Great Britain would be protected all through the period for which the right had been given.

Senator KEATING.—I think not.

Senator Sir JOSIAH SYMON.—What is the section in the English Act to which the Minister has referred?

Senator KEATING.—Section 54.

Senator Lt.-Col. GOULD.—That is so far as a foreign design is concerned.

Senator KEATING.—I think the copyright ceases entirely in Great Britain, and that it is open for anybody in England to use the design, which has become public property.

Senator Lt.-Col. GOULD.—But if a man in Great Britain obtains protection under the Act he is not bound to use the design at any time during the period of protection, though under the Bill before us he is so bound.

Senator KEATING.—The provision is that the owner of a registered design shall substantially use, or cause to be substantially used, in Australia, the design, and on his failing to do so, the copyright shall cease.

Senator Lt.-Col. GOULD.—That applies to every one irrespective of the origin?

Senator KEATING.—That is so.

Senator Lt.-Col. GOULD.—And, therefore, the Bill in that respect differs from the English Act.

Senator KEATING.—Yes; the English sections is as I have read it. Another obligation thrown on the owner of a registered design is that all goods manufactured in accordance with it, and put out for sale to the public, must be marked to indicate that the design is registered. That is a precaution he must take for his own protection. In Great Britain the rules provide two methods by which the mark shall indicate that the design has been registered. In regard to one class of goods it is necessary to have the letters "Regd." somewhere conspicuously shown, and in another class of goods it is necessary to have the letters "Rd" as an intimation that the design is registered, and that it must not be used without the authorization of the registered owner. There is a provision in this Bill that the owner shall be bound to mark, in the manner prescribed, articles that are manufactured according to the design of which he is the registered owner, so that the public may not be misled into the belief or assumption that the design is public property, and use it to his prejudice. Provision is made in Part V. for dealing with infringements of copyright. The remedies for infringement are the usual remedies that apply in similar cases. They

are penalty remedies—remedies for actual damage sustained, and injunction to prevent the continuance of the infringement. We insert a provision that damages shall not be recoverable, nor shall a penalty be awarded, against any person for infringement, unless the Court is satisfied that the infringement was committed by the defendant "knowingly, or after notice that the copyright in the design subsisted." With regard to "knowing" infringements, there is a drastic provision in clause 32, that a person who knowingly infringes copyright in a registered design shall be liable to a penalty of £50, and that the owner may sue for the recovery of such penalty.

Senator Lt.-Col. GOULD.—Is there provision for punishing a man for professing that a design is registered when it is not registered?

Senator KEATING.—Yes, there is, later on.

Senator DOBSON.—But the penalty in that case is only £5.

Senator KEATING.—It is a small penalty. We have the usual provisions with regard to registration. My honorable friends opposite will recognise some of the provisions in these clauses. One is that trusts shall not be noticed upon the register, and that registrations of assignments may be made. There is a provision in clause 47 for correcting the register. That is intended to deal with a class of cases where the ordinary procedure in connexion with the rectification of the register need not apply. We have the usual provisions for the rectification of the register, but, as honorable senators are well aware, proceedings for the rectification of the register are generally costly and are sometimes attended with considerable delay. We, therefore, provide that, in cases of obvious error, the Registrar may, in the prescribed manner, amend or alter the register by correcting any error in the name or address of the registered owner of a design, or by altering the name or address of a registered owner who has changed his name and address. Where the Registrar does that the second part of the clause applies—that the Registrar shall cancel the certificate of registration, and issue a new one, and shall make such amendments or alterations as may be necessary in consequence of the amendment or alteration. That is to cover a class of cases where the proceedings by way of rectification would be in expense and delay altogether disproportionate to the

mischief—if I may so call it—that would result from the continuation of the error. In case of obvious errors, this provision will usefully apply. Of course, no Registrar would take upon himself the responsibility of altering the register or correcting it in any case where the circumstances did not, to the fullest possible extent, warrant it. On the other hand, where, perhaps, a man's name had been wrongly entered—where, we may say, his name had been put in as Walter John instead of Walter James—it would obviously be unfair to insist that in every case the jurisdiction of the Court should be invoked. When the rectification of the register takes place, in cases where conflicting interests are involved, the usual provision is made in clause 39; and in clause 40 provision is made for the Registrar to give effect to any order which may be made by the Court that the register shall be rectified. Other provisions of the Bill deal with the powers of the Governor-General to make regulations; and provision is also made to meet the class of cases referred to just now by Senator Gould by way of interjection. In clause 42 it is provided that—

A person shall not wilfully make any false statement or representation to deceive the Registrar or any officer in the execution of this Act, or to procure or influence the doing or omission of anything in relation to this Act or any matter thereunder.

The penalty for a breach of that provision is three years' imprisonment. Clause 45 deals with false representation to the public, just as clause 42 deals with false representation to the Registrar. Where a person makes a false representation that a design, in accordance with which a particular article is made, is a registered design, and so might prevent the public from using what is practically public property, he is deemed guilty of an offence, and the penalty is £5. Of course, the adequacy or inadequacy of that punishment may be considered in Committee. Other provisions are made in the miscellaneous portions of the Bill, to enable agents to act for persons under this measure. The Registrar is to recognise agents as properly authorized persons to act on behalf of their principals. We also have in this portion of the Bill the usual provisions bringing aiders and abettors in offences under the same penalties as apply to the principals whom they aid and abet. There is another provision of some import-

Keating.

ance contained in clause 47—that the exhibition of designs at international exhibitions shall not, in certain circumstances, prejudice an application for registration. The law, as it stands in Great Britain, is that if the author of a design reveals that design to anybody he is not entitled, successfully, to apply for its registration as a new and original design; as, by revealing it to any one, he, by that act, publishes it for public use. Some interesting cases have been brought before the Courts to determine whether or not the author of a design had forfeited his right to obtain registration of it by merely showing the design, or indicating its nature, to somebody, even to a person to some extent interested, though not financially, with him in the matter, or to a person to whom, from motives of friendship, he had shown it. The revelation of a design to one person might prejudice the author of it from obtaining registration, because, by the publication of it, or the revelation of it, to one person, it might be held that it ceased to be new and original. An exception is here made in the case of an exhibition, provided it be an official or international exhibition, and also provided that application is made for registration within six months after the opening of the exhibition. This provision has been taken from the English Act of 1888. I am not in a position to say that it has been taken *verbatim*, but the marginal note indicates the source of the clause, namely, 46-7, Vic. c. 57, s. 58. I mention these matters in some detail, in order to invite the attention of honorable senators to them before we get to the Committee stage. I feel certain that consideration will be given to them with the object of making the Bill as complete and perfect as possible. The only other provisions to which I need refer are contained in clauses 48 and 49, the former of which deals with international arrangements for the protection of designs; and the latter clause, 49, with intercolonial arrangements. With regard to the provision for international protection, I would point out that in the year 1883, on the 20th March, there was held at Paris an International Convention, at which the Governments of Belgium, Brazil, Spain, France, Guatemala, Italy, the Netherlands, Portugal, Salvador, and Switzerland were represented for the protection of industrial property. A number of the articles agreed to by that Convention deal with the ques-

tion of granting reciprocal protection in each of those countries, to the patents, trade marks, and designs that had been registered in all the countries which were parties to the Convention. It will be observed that Great Britain was not a party to the Convention at the time when it was signed in Paris on the 20th March, 1883. But in the following year, Great Britain acceded to the Convention, and obtained for herself and her dependencies the benefit of its provisions. One of the conditions upon which those mutual benefits are acquired in any country is that that country shall afford to its own people, and shall also be able to afford to the natives of other countries, protection with regard to all these different matters. Negotiations and communications that have passed between previous Commonwealth Governments and the British Government in this matter, as indicated in my opening remarks, have revealed the necessity for the Commonwealth completing its legislation upon these subjects by dealing with designs in order that we may obtain the advantages of the reciprocal arrangement agreed to by the Convention in 1883, and since acceded to by Great Britain. I need say nothing further. I feel confident that I can commend the Bill to the very kindest and most sympathetic consideration of honorable senators all round the Chamber.

Senator Sir JOSIAH SYMON (South Australia) [3.28].—This is not a Bill the second reading of which invites much debate. It is allied to the legislation which has already been passed by the Commonwealth Parliament relating to cognate matters—the Trade Marks Act and the Copyright Act of last session. This Bill is really complementary to those pieces of legislation. In that sense it is more or less a machinery Bill, particularly because upon the principles applicable to these matters of copyright there can be at this time of day very little divergence between the existing legislation in every English speaking country—in the mother country, for instance, and other portions of the Empire—and that which is sought to be placed upon our statute-book. I rather regret that this legislation should be of such a piecemeal character. I myself greatly prefer that we should get legislation dealing with a series of cognate subjects all allied in principle, all resting upon the same broad basis of protection for

the fruits of a man's intellect, as far as possible within the four corners of one measure. In these times codification for the purpose of legislation is very strongly and very properly believed in; and I think that when we are legislating upon such subjects as this it is well to give effect to that principle whenever we can. No doubt at this particular time in consequence, as has been pointed out, of our having legislated for trade marks by means of one measure and for copyright by means of another—

Senator MCGREGOR.—Why did not the honorable senator associate this subject with trade marks?

Senator Sir JOSIAH SYMON.—I did not introduce the Trade Marks Act.

Senator MCGREGOR.—The honorable senator carried it, I think.

Senator Sir JOSIAH SYMON.—I did not carry it. My honorable friend needs to read up his political history. Before he makes charges of dereliction against me he will do well to make himself acquainted with the facts. No doubt my honorable friend, Senator Keating, is quite right in saying that at this stage it is difficult to do what I have suggested. For many obvious reasons it would have been very much better if that course had been pursued. One cannot look at this Bill without seeing that that criticism is very well founded, because a large number of the early clauses are really machinery provisions, which are an adaptation of those contained in certain measures upon the Statute Book. I am not advancing this as any ground, shall I say, of want of confidence in the Government or of want of appreciation of the particular point which I am putting, because attention has already been called to the matter. But it is obvious that it is desirable that where we have different subjects of legislation, which are parts of one system, and where we have a machinery which is naturally applicable to each, we should, as far as possible, have that machinery in one measure. The Minister said, deprecatingly, that when we find in the Bill a provision for the appointment of a Registrar in connexion with the registration of these particular designs, it does not mean that there is to be a duplication of offices. Of course, no one would expect that. We have a duplication or triplication of the legislative machinery, but not of the practical

machinery, because, naturally, the duties will be intrusted to those holding the offices in connexion with other matters. In England the provisions relating to trade marks, copyrights, and designs were embodied in one measure in 1883. I do not propose to refer to the details of this Bill, which will be discussed, if need be, in Committee. So far as its operative and necessary part is concerned, it is not altogether, but largely, a copy of the provisions of that Act. I hope that in Committee the Minister will be prepared, clause by clause, to indicate whether it is identical with the provisions in the English Act, or the later amendments of that Act, or whether any clause is a modification of the corresponding provision, and if so, in what respect. That will assist us very much, because, no doubt, he has at his fingers' end the whole body of legislation on the subject. Honorable senators, perhaps, are not so fortunately situated. I have no doubt that he will assist us as far as he can in that direction. I shall be glad if he will take that course, as it will enable us to push the measure through Committee as quickly as possible. I wish to direct my honorable friend's attention to three matters. One is the provision with regard to the fine of £5, which is sought to be imposed upon any person who wrongfully describes the design applied to any article which he is selling as a registered design. There was an interjection from this side on the subject, but that penalty is really ample when one comes to think of what the offence is. The offence consists, not in representing that the article which is sold as the production, it may be, of A bears the design of B; but merely in saying that that article bears a design which is registered, when it is not. There is another provision which I notice deals with the other and more serious thing. But this is left to the person who complains of the offence. The offence as to which the penalty of £5 applies is merely that where there is a design, the person selling an article bearing the design says, "Oh, yes, that is registered." So long as it contains a design, and not a misrepresentation; so long as it is not a case of the seller representing the design as his own, when it is really that of somebody else—which, of course, is a very serious and improper thing to do—there is no element of serious injury to that which is protected, and rightly protected. Of course, a man

Sir Josiah Symon.

should not say that a thing is registered if it is not, even though it may be his own design. The same thing applies, although the remedy is different, in connexion with trade marks. For instance, people may use trade marks which are not registered. A man may disentitle himself to the benefit of a particular common law trade mark if he represents that it is registered when in reality it is not, although it is his property, and that by which his goods may have been sold for many years. The next of the matters to which I wish to invite attention is contained in clause 28, which reads as follows:—

The owner of a registered design shall, within twelve months after registration, substantially use the design, or cause it to be substantially used in Australia, in the manufacture of articles, and if he fails to do so, the copyright in the design shall cease.

That is quite different from the English provision, which Senator Keating read, and which has a very salutary object. This Bill omits the English provision which I think is a salutary one, and inserts a provision which is restrictive, and of no earthly benefit as against the foreigner. I think that that is where the benefit is intended to come in under the English provision. I shall be very glad if the Government will consider the desirability of inserting the English provision, and eliminating this clause. The former says that where a design is used in a foreign country, and it is not applied within six months to manufactures in England, the right to registration shall cease. That is a very proper thing. The provision is aimed at preventing a foreign manufacturer, in order to shut out an English manufacturer from using a particular design and applying it to goods made in England, registering the design in England, but leaving it inoperative and manufacturing all his goods in a foreign place, where labour may be cheaper, or for some other reason. Or, to put it in another way, it is intended to prevent a foreigner, or it may be an English importer, or an English manufacturer, from registering a design, and securing a monopoly in England, whilst he has his goods manufactured on the Continent. Any one can see that that is a very desirable thing to do. Unless we have the English provision, we might have a similar process of bogus registration taking place freely in Australia, subject merely to the provision which requires the design to be used in the manufacture of articles within twelve

months. But the provision in clause 28, it seems to me, is directed practically to user in Australia. There is no provision as to user outside Australia. I think that if the English provision were inserted, with or without modification—as to that I say nothing—it would certainly be more beneficial to Australians and to the articles to which any particular design is to be applied, that is to say, to articles which are intended, so far as the design is concerned, to be protected for the benefit of the Australian community. The second point I wish to call attention to is the definition of design, because the Minister used the expression, “article of manufacture,” that is to say, that designs which were susceptible of, and entitled to, registration were designs to be applied to articles of manufacture. That is not so under the Bill as it stands, and I do not think it ought to be, nor is it so in the English Act. It is not intended to be limited to articles of manufacture. The intention of the Bill, according to the definition, is even to give it a wider scope—I do not know that it does—than the English Act, because—

“Design” means an industrial design applicable, in any way or by any means, to the purpose of the ornamentation, or pattern, or shape, or configuration, of an article, or to one or more of those purposes.

There is no limitation in that respect to manufactured articles, and the definition of “article” is “any article or substance.” The draftsman, if it was intended to limit it to articles of manufacture, has omitted to do so, or left it to some kind of construction which is always dangerous, and which always leads to that most objectionable state of things, extensive litigation. If, on the other hand, he intended to make it applicable to “any article or substance,” then I suggest for consideration whether it would not be better really to retain the English definition, which is wide and sufficient, and so get the benefit of authorities and decisions in England, where, of course, questions crop up much more frequently than they do amongst a smaller population. The English definition is expressly in terms not limited to articles of manufacture. The definition is—

“Design” means any design applicable to any article of manufacture, or to any substance artificial or natural,

We may have things sold to which a design is applied, but which, in the strict sense of the term, are not manufactured articles.

or partly artificial and partly natural,

Then it describes the design with a little more detail, but in effect it is the same as the one in this Bill—

and by whatever means it is applied, whether by printing, painting, embroidering, weaving, sewing . . . not being a design for a sculpture.

I would suggest, for the further consideration of Senator Keating, especially as we are practically adopting the English Act of 1883, that it might be well to reconsider the desirability of retaining, as far as possible, the English definitions, unless there is some very sound reason for changing them. There is another point to which I invite the attention of my honorable friend. Why should we have in the title of this Bill the word “industrial,” used for example thus: “in industrial designs”? When we refer to the definition of design, we find that it means “an industrial design.” Why should we use the prefix “industrial” when the articles to which designs are applied may consist of artificial or natural substances? It seems to me that this matter has only to be pointed out to receive attention, and, I fancy, to secure amendment. No such term is used in the English Act. A design is not “industrial” in any sense of the term. The adjective is not applicable. A design might relate to an article the fruit of industry, but to use the word “industrial” before the word “design” is merely to erect an unnecessary placard. I rather deprecate the use of these picturesque titles, to which, I am afraid, my honorable friends in the present Government have become greatly addicted. Last year we had before us a measure bearing the wide and high sounding title of “The Commerce Bill.” That title was keenly criticised. The result was that Senator Playford consented, very wisely I think, to a limited definition, the words “trade descriptions” being added to the title. This was done so that it should not appear to the world that we were to a certain extent misrepresenting the kind of legislation we were passing. The Government seem to have an inclination to use these high-sounding titles. We had in the Governor-General’s speech at the opening of the present session a reference to a measure now on the notice-paper of another place—the Australian Industries Preservation Bill. The use of such titles suggests a jackdaw posturing in borrowed plumage. The people see through this sort of thing. Let us call a spade a spade. Let us apply to each Bill a name which will

define exactly what it means, rather than attempt to use titles that suggest that we are living in an atmosphere of pretence. The use of the word "industrial" suggests that this Bill has some bearing on the relations of employer or employé, or that we are legislating for the benefit of the unemployed. The thing is absurd. It is very undesirable that we should use in connexion with a measure of this kind a word that has a well-understood application, so far as the statute-book of the Commonwealth is concerned, to legislation of a different character. We regard the use of the word "industrial" as referring to matters affecting the relations between employer and employé. That is the sense in which it is used in the Conciliation and Arbitration Act.

Senator MCGREGOR.—Can a design affect anything that is not the result of some form of industry?

Senator Sir JOSIAH SYMON.—But it is not the design that is industrial. The short title of this measure is to be "The Designs Act." Why should we not keep to that effective and excellent title? Is it our object to use the word "industrial" in this case in order that we may pose before the people at the next general election as—

Senator KEATING.—I think the word appears in the English Act.

Senator Sir JOSIAH SYMON.—I think not, but if it does, that does not disarm my criticism.

Senator KEATING.—The Tasmanian Act is really a transcript of the English Act, and in Part III. of it we have the words "industrial designs."

Senator Sir JOSIAH SYMON.—I do not think that in that regard the Tasmanian Statute is a transcript of the English Act. We have had so much of this sort of thing lately that I was inclined to think that we were perhaps getting into a groove, and that it was time a stop was put to the practice.

Senator KEATING.—The Tasmanian Act of 1893 is a good precedent.

Senator Sir JOSIAH SYMON.—It is not a good precedent for a wrong step. I have not been able to find the word "industrial" in the English Act, and, although it may appear in the noble legislation of Tasmania, there is no reason why we should adopt it if its use in this case would be wrong. I make this suggestion just as I suggested an alteration in the title of the Commerce Bill. I do not like to see these artificial and misleading ex-

pressions in the titles of Bills. It may be said that this is a piece of industrial legislation. It is nothing of the kind. It is a piece of legislation dealing with the right kind of monopoly; it is to give to those who, on every consideration of justice, are entitled to it, the monopoly of a proprietary right in a design which is the fruit of their ingenuity, talent, and skill.

Senator MCGREGOR.—Would the honorable and learned senator nationalize that sort of thing?

Senator Sir JOSIAH SYMON. — I leave that matter to my honorable friend, who appears to want to nationalize everything. I should be very happy to be able to say on the platform when my time comes to go before the electors that I had joined with my friend Senator McGregor in passing a very valuable piece of industrial legislation. But such a claim, so far as this measure is concerned, would be absurd. Do not let us commit these little absurdities. It is important that we should so frame our titles that people may see, at all events, that we have been guided by a desire to secure simplicity and clearness rather than ornamentation.

Senator HIGGS.—We should keep out the poetry.

Senator Sir JOSIAH SYMON. — We should certainly shut out picturesqueness. I hope Senator Keating will take these observations in the spirit in which they are offered. This Bill is in no sense a controversial one. It is complementary to our existing legislation, and I hold that we should avoid unnecessary adjectives. When we employ adjectives we generally give cause for additional criticism; every unnecessary adjective in an Act of Parliament is liable to give rise to litigation and dispute. The balder the phraseology we use, so long as it is precise and expresses our object, the better for our legislation. I have only to say, in conclusion, that I shall be extremely glad to assist in passing this Bill as early as possible, in order that the subject to which it relates—which is really part of the system of protecting the fruits of a man's intelligence and talent in connexion with commodities or articles that are offered for sale—may be covered by our legislation.

Senator Lt.-Col. GOULD [3.54].—I intend to make only a few observations, for so much has been said by the Minister in charge of the Bill and the leader of the Opposition as to the value of the measure, that little more is necessary. It is satis-

factory to know that the whole of the law relating to patents, designs, and trade marks will now be taken over by the Government of the Commonwealth, and that, although these subjects are dealt with in three different measures, there will be an opportunity later on, if necessary, to consolidate and convert them into one workable Act. I am in agreement with some of the criticism that has been offered by Senator Symon, and more particularly with his remarks as to the effect of clause 28, under which a man would lose the value of the registration of his design unless he utilized that design within twelve months of its registration. I should like to point out that there is a way of dealing with the matter that should meet with the approval of honorable senators. In the Patents Act we have provided that if a patent obtained in the Commonwealth is not utilized within a limited period it shall be open to any person to apply to the Court for the right to utilize it, on payment of reasonable compensation to the owner, or that in the alternative it shall be voided. In the same way we might deal with a design invented in the Commonwealth, but not utilized. It is open to us to provide that if, in such circumstances, another person in the Commonwealth desires to utilize that design, he shall be allowed to do so, if the owner is not going to use it himself. In that way, we should avoid the possibility of inflicting hardship upon an Australian designer. Senator Symon has clearly pointed out the reason for the section in the Imperial Act on which this clause is based, and the reason is one that must commend itself to honorable senators. The difference between the verbiage of this measure and that of the Imperial Act has also been criticised. I agree that it is most undesirable, without good reason, to depart from the language used in the British Act. If we adhere to the terms of that Statute, we shall have the advantage of decisions given in the old world, which will enable us more readily to administer our own law, and at the same time will facilitate the efforts of those who are not lawyers, in learning exactly how far they can go. We shall avoid the disadvantages that must clearly follow the use of words that are not in the English Act. Take, for instance, the word "industrial," to which reference has already been made. Some question might arise as to the meaning of the word.

Senator Sir JOSIAH SYMON.—As to whether a design should be registered as an industrial one?

Senator Lt.-Col. GOULD.—Quite so. If the matter came before the Court, it would be urged that when a certain word is used in an Act of Parliament, there must be some reason for it, and that that reason must be discovered. It might be said that the use of the word "industrial" was intended to limit the class of designs that could be registered, although, as a matter of fact, this Parliament had never contemplated anything of the kind. By the use of unnecessary words we thus super-add to the difficulties of inventors and designers. I trust that the Minister in charge of the Bill, unless there are strong reasons for adopting a different course, will agree to adhere as closely as possible to the verbiage of the Imperial Act. We want these provisions to be read, as far as possible, concurrently with that Act, more particularly as our desire is to protect Australian inventors in foreign countries, as well as in the Commonwealth. I trust that these matters will be taken into consideration, and that amendments in the direction I have indicated will be made.

Question resolved in the affirmative.

Bill read a second time.

In Committee:

Clauses 1 to 3 agreed to.

Clause 4 (Definitions).

Senator KEATING (Tasmania—Honorary Minister) [4.1].—I suggest that, as was done on previous similar occasions, the consideration of the definition clause be postponed until after the remainder of the Bill has been dealt with. That is a procedure which has been followed to the great convenience of all honorable senators.

Senator Sir JOSIAH SYMON (South Australia) [4.2].—I think that is quite a reasonable request on the part of the Minister, and I only ask him to consider the suggestions which were submitted in the course of the second-reading debate.

Senator KEATING. — I have a note of those suggestions.

Clause postponed.

Clause 5—

A design shall be deemed to be applied to an article when—

- (a) the article is made from or in accordance with the design; or
- (b) the design is applied, in any way or by any means, to the purpose of the ornamentation or pattern or shape, or configuration of the article, or to any two or more of those purposes.

Senator Sir JOSIAH SYMON (South Australia) [4.3].—I ask the Minister to inform the Committee where this clause is taken from. It appears to be a new provision, seeing that there is no marginal note, and it is a very important clause.

Senator KEATING (Tasmania—Honorary Minister) [4.4].—This clause is drawn in consequence of the definitions given in regard to a design, and how a design is made applicable. The section of the English Act dealing with the definition of "design" provides in much more extensive language than we do what shall be deemed to be a design. The definition in the English Act goes, I think, beyond the necessities of the case. It not only defines what a design is, but how it may be used, in the following words:—

"Design" means any design applicable to any article of manufacture, or to any substance, artificial or natural, or partly artificial and partly natural, whether the design is applicable for the pattern, or for the shape or configuration, or for the ornament thereof, or for any two or more of such purposes, and by whatever means it is applicable, whether by printing, painting, embroidering, weaving, sewing, modelling, casting, embossing, engraving, staining, or any other means whatever, manual, mechanical, or chemical, separate or combined, not being a design for a sculpture, or other thing within the protection of the Sculpture Copyright Act of the year 1814. We provide a definition of what "design" shall mean, and as to the application of the design. Paragraph *b* contains words which are taken from the English Act, and which are not necessary to the definition, though they explicate the definition by indicating the way in which the design may be used. We separate the two provisions, and, without enumerating all the means, such as painting, embroidery, weaving, &c., use the words—

to the purpose of the ornamentation of pattern or shape or configuration, of the article, or to any two or more of those purposes.

These are the words, as I say, which are not absolutely necessary to the definition of "design," although they indicate the method in which a design may be used or applied. We have taken the English definition in that sense, but we have severed it; we use all the words necessary and essential to the definition for definition, and we use other words which are not so essential, but which merely indicate the way in which it can be applied—to express what, under our law, shall be meant by the application of the design.

Senator Sir JOSIAH SYMON (South Australia) [4.5].—I think the Minister had

not before him the definition in the Bill itself, when comparing the English section with clause 5. Clause 5 is simply a duplication, it appears to me, of the definition in clause 4. The words, "in any way or by any means to the purpose of the ornamentation or pattern or shape, or configuration of an article, or to any two or more of those purposes," are exactly the same in both clauses, and not a single word of the English definition is incorporated. The first part of clause 5 provides that a design shall be deemed to be applied to an article when "the article is made from or in accordance with the design." Of course, that must be so if the design is a pattern, which is either for utility or ornamentation. It appears to me that it would be better to postpone the consideration of this clause along with that of clause 4.

Clause postponed.

Clauses 6 and 7 agreed to.

Clause 8—

1. There shall be a Registrar of Designs.
2. Until the Governor-General otherwise determines, the Commissioner of Patents shall be the Registrar of Designs.
3. The Governor-General may appoint one or more Deputy Registrars of Designs, who shall, subject to the control of the Registrar of Designs, have all the powers conferred by this Act on the Registrar.

Senator Sir JOSIAH SYMON (South Australia) [4.8].—I take it that it is not intended to duplicate these offices, and I think it a pity that the second paragraph of the clause should have been inserted. I do not think that it is contemplated to have Deputy Registrars other than the Deputy Registrars of Patents. There has been some excitement lately as to sub-offices under the Trades Marks Act in other States besides Victoria, and I suggest that this clause should provide that the Governor-General may appoint one or more Deputy Registrars of Patents to be Deputy Registrars of Designs, so as to prevent the possibility of an assumption that any new offices are to be created.

Senator MCGREGOR (South Australia) [4.10].—I see no necessity for any alteration of the clause. When the Minister introduced the Bill he clearly pointed out that there was not to be any duplication of offices, where there was an officer, whether in the Patents Office, or any other office, available to do the work. There is, certainly, a difficulty in Adelaide at the present time in regard to the establishment

of a sub-office under the Patents Act; and I think it will be understood that the Deputy Registrar under that Act is more likely to be appointed under the Bill before us, seeing that there is not enough work under one of the Acts to keep him fully occupied. If such an officer carried out the duties of Deputy Registrar under the Trades Marks Act, the Copyright Act, the Patents Act, and this Bill, that would be sufficient to justify the establishment of a sub-office; and I think that that is the idea underlying this clause.

Senator KEATING (Tasmania—Honorary Minister) [4.12].—To re-assure Senator Symon, I may point out that the clause as it stands is taken bodily from the Copyright Act we passed last year. When the Copyright Bill was introduced in the Senate, some criticism was levelled at the provision contained in the original clause, which provided that the Governor-General might appoint "a Deputy Registrar" of copyright, who should be subject to the control of the Registrar, and exercise all the powers conferred on the Registrar. In order to meet certain criticism, the clause was altered to provide that the Governor-General might appoint "one or more Deputy Registrars" of copyright. I think it was Senator Millen who drew attention to the fact that the original clause made provision for the appointment of only one Deputy Registrar, while it might be advantageous to have Deputy Registrars in one or more States. In the drafting of the Bill before us, a similar difficulty presented itself, and the first consideration was the provision for appointing a Deputy Registrar at the central office in case of the absence of the Registrar on leave, or owing to sickness or any other cause. If we limit the power to the appointment of one Deputy Registrar, it is questionable whether it would be possible to appoint Deputy Registrars, who should occupy, in relation to the Registrar, a corresponding position to that under the Copyright Act. I do not think there need be any fear that persons other than those occupying similar positions in the States will be appointed under this clause. If we were to restrict the appointment of Deputy Registrars to persons who occupy the position of Deputy Registrar under the Copyright Act and similar Acts, we might be confronted with a difficulty. The Registrar of Designs might be away on six months' leave of absence, or

unable to attend business in consequence of illness, and we should be limited in the selection of a deputy at the central office to the States deputies. I think that Senator Symon will accept my assurance that the object of the clause is simply to enable the existing deputies in those other branches mentioned to be appointed in any State, and to empower the Governor-General, in the absence of the Registrar, to appoint a deputy who is not necessarily a State officer, but perhaps the next man in the central office.

Clause agreed to.

Clauses 9 to 12 agreed to.

Clause 13—

The copyright in a design shall begin on the date on which the registration of the design takes effect, and shall continue so long as the registration of the design remains in force.

Senator Sir JOSIAH SYMON (South Australia) [4.15].—Perhaps the Minister will explain why it is that there are two clauses to carry out an object when one would be sufficient. This clause appears to be taken from section 50 of the Imperial Act, but it altogether differs from that section, which is a very good one. In clause 13 we provide that the copyright shall begin on the date on which the registration of the design takes effect, and shall continue so long as the registration of the design remains in force. Then we have to turn to clause 26 to find out how long the design is to remain in force. We are there told that the registration is to remain in force for a period of five years from the date of lodging it. Clause 26, as my honorable friend, Senator Keating, will see, creates a new departure in the law altogether. It makes the right begin from the time of the application for registration, which is a very wrong thing to do. The Imperial Act provides in section 50 that—

When the design is registered, the registered proprietor of the design shall, subject to the provisions of this Act, have copyright in the design during five years from the date of registration.

If we desire to antedate the lodging of the application it will be very dangerous, but it ought to be done in one clause. I suggest that clause 13 be omitted, and the English section substituted for it to make the two pieces of legislation homogeneous.

Senator KEATING (Tasmania—Honorary Minister) [4.16].—As Senator Symon has pointed out, section 50 of the English Patents, Designs, and Trade Marks Act

provides that when a design is registered the registered proprietor shall have copyright in it during five years from the date of registration. No provision is made as to copyright in a design prior to the period of registration. This Bill is separated into different parts. The part under consideration, Part III., deals with what is meant by copyright in a design, the term of copyright, and who shall be entitled to apply for and obtain copyright. It also describes copyright as personal property. In clause 13 we provide that copyright in a design shall begin on the date on which the registration takes effect, and shall continue as long as the registration remains in force. If we were to accept Senator Symon's suggested amendment we should be taking out of Part IV. a provision which properly belongs to that part.

Senator Sir JOSIAH SYMON.—We are dealing with the period, and instead of stating five years, the Bill says that the copyright shall continue "so long as the registration of the design remains in force." One has to turn to another portion of the measure to find out what that period is.

Senator KEATING.—Part IV. deals with the registration of designs, and the effect of registration, and clause 26 provides that the registration shall take effect as from the date of the lodging of the application. That is to say, it relates back to the application.

Senator MILLEN.—A most unbusiness-like method.

Senator KEATING. — A very usual method. When the application is granted, a period of five years, counting from the date of the lodging of the application for registration, elapses before the copyright expires. The difference between that and the English section is simply that under the English Act the term dates from the time of registration.

Senator Sir JOSIAH SYMON (South Australia) [4.20].—There are two points about this clause. The first is that the object of clause 13 is to name the period of protection. Why not do that in direct terms, and say that the period shall be five years, instead of saying that the term shall be "such time as the registration shall remain in force," which necessitates turning to another portion of the measure? This Bill is to be used by commercial men, and by people employing designs or ingeniously contriving them. Why refer them to another portion of the

measure when we can say in this clause exactly how long the copyright shall remain in force? Why not tell a man in one clause what the term is. The object of the clause under consideration is to define the term of copyright; why not do it as the English Act does? The second point about the clause is one which Senator Keating has not met. It is that the Bill makes a very grave departure from the English law. Of course, if there is some very good reason for that, let it be done. But unless that is so it is very unwise in a Bill of this description to depart from the English Act; because we want to have the benefit of the authorities and decisions in England on similar legislation, and also the benefit of any arrangements made internationally with regard to equivalent systems of copyright. In England the law is that copyright shall take effect from the date of registration. That is as it should be. In this Bill it is provided that it shall take effect from the date of lodging the application, when the designer may have no right at all. As the clause is framed, during the time when the application is being considered—it may be for twelve months—the applicant might be deriving benefits from his design. When the twelve months were up, his application might be refused. Look at the complications which might ensue. Even if the registration took place quickly, there might be delays and objections. The English section is admirably expressed. Under it a man who wants to deal with such a matter as this sees stated in one section exactly what is the term of his right. I urge upon the Committee the advisableness of considering whether the copyright should not be made to take effect from the date of registration, instead of from the date of application; and, secondly, whether the term of copyright should not be exactly defined in this clause.

Senator MILLEN (New South Wales [4.28]).—I urge the desirableness of making the period of copyright date from the day of registration. Senator Symon has instanced the case of an applicant for a design proceeding to use it on the strength of the Bill as it stands, and having his application refused later on. Take the reverse case. Assume that a man makes an application for a design. Although his time is running away, he dare not use it. He will hesitate to provide any machinery for taking advantage of his design until he knows whether his application is successful. He may be

tioned up for twelve months before he can do anything. If the copyright is to date from when the application is made, the period during which it is considered will be taken out of the time during which the owner will have protection. Surely, the better way is to give him copyright from the time when the application is granted, not from the time when he applies. Otherwise one man may get his application dealt with in a month, and another man in six months, and so there will be different periods of protection for different men.

Senator Sir JOSIAH SYMON (South Australia) [4.29].—I much prefer the English section, and the simplest course for the Committee to take would be to adopt it in place of the clause under consideration.

The CHAIRMAN. — If the clause be negatived then the honorable and learned senator can move the insertion of that provision.

Senator Sir JOSIAH SYMON.—That will be the better course to take. The Minister will understand that I only wish this clause to be negatived with a view to substituting the English provision.

Question.—That clause 13 stand part of the Bill—put. The Committee divided—

Ayes	...	...	10
Noes	...	...	8
			—
Majority	...	...	2

AYES.

de Largie, H.	Playford, T.
Givens, T.	Story, W. H.
Guthrie, R. S.	Trenwith, W. A.
Keating, J. H.	
McGregor, G.	<i>Teller:</i>
O'Keefe, D. J.	Pearce, G. F.

NOES.

Dobson, H.	Symon, Sir J. H.
Fraser, S.	Walker, J. T.
Gould, A. J.	
Higgs, W. G.	<i>Teller:</i>
Neild, J. C.	Millen, E. D.

Question so resolved in the affirmative.

Senator KEATING (Tasmania—Honorary Minister) [4.35].—In view of what was said before the division was taken, I wish to intimate to my honorable friends opposite that before the Bill is finally dealt with I shall have consideration given to what has been urged, and, if possible, meet their wishes. For the moment, I am influenced by the fact that in the Patents Act we have a provision by which the term of the patent relates back to the date of original application. Since the discussion has begun I must confess that I do

not feel quite as strongly as I did in regard to both these provisions. I shall certainly go into the matter at the earliest opportunity, and see what force my honorable friends' arguments have.

Senator Sir JOSIAH SYMON (South Australia) [4.36].—I congratulate the Minister upon the candid expression of opinion which he has given. We are dealing with the Bill, as I think he appreciates, from the point of view of the completion of a scheme of legislation, and not from the stand-point of party. I am not going to complain of a number of my honorable friends opposite, but when we are discussing an important matter on which the Minister, after consideration, so very candidly says he does not feel so strongly after hearing the arguments of this side as he did before, I think it is only fair that they should hear our reasons before they in a solid block vote us down.

Senator KEATING.—It was just the same on the other side.

Senator MILLEN.—We were all here.

Senator Sir JOSIAH SYMON. — My honorable friends thoroughly understood the question.

Senator MCGREGOR. — I was here, too.

Senator Sir JOSIAH SYMON.—I am sure that my honorable friends opposite who were not here have an intuitive sense which enables them, without hearing arguments, to arrive at a right conclusion, that is to do what the Government desire. I think that the Minister has adopted a perfectly wise course. There is no doubt whatever that the registration, when made, ought to have effect from the date of the application. If that is the case, the Bill will follow the lines of the Imperial Act, and clauses 13 and 26 can be put into one provision. The English provision is couched in language which is precise to a degree. I do not suggest that we ought to slavishly follow the verbiage of an English Act simply because it is an English Act, because I believe that very often our Acts are better worded. But where there is a body of legislation of the same sort which involves a good deal of controversy and, perhaps, much litigation, we should adhere as far as possible to the language of the legislation in other parts of the British Empire, particularly in England. It is from that point of view that I welcome what the Minister has said. We desire to assist as far as we can, but it is not much encouragement to us to assist when we get

voted down whenever we make a suggestion which the Minister frankly says is of some value.

Senator KEATING.—Yes, but I could not see my way to accept it.

Clause agreed to.

Clauses 14 to 25 agreed to.

Clause 26 postponed.

Clause 27 agreed to.

Clause 28—

The owner of a registered design shall, within twelve months after registration, substantially use the design or cause it to be substantially used in Australia in the manufacture of articles, and if he fails to do so the copyright in the design shall cease.

Senator Sir JOSIAH SYMON (South Australia) [4.42].—I do not wish to move an amendment, but again call attention to the fact that this Bill, unlike the English Act, does not contain a clause protecting the local manufacturer who uses a design against a foreigner manufacturing therefrom. The provision in the English Act is of great value, because, as I pointed out in my second-reading speech, it is very important that either an importer or a foreign manufacturer sending his goods here should not be at liberty to register a design in Australia and continue to get his goods manufactured outside its borders. The object of the English provision is to prevent that state of things from happening.

Senator MILLEN.—The honorable and learned senator's contention is that a design registered here should be used only on goods made here?

Senator Sir JOSIAH SYMON.—Yes, and that the man should not be allowed, in order to secure a monopoly here and prevent other manufacturers from using the design, to simply put it on the register, and even for one month, much less than for twelve months, which is the period fixed, have the right to stop any one here from manufacturing according to the design, whilst he is bringing in goods manufactured in foreign parts either before his application for registration or during that period of twelve months. The English provision reads as follows:—

If a registered design is used in manufacture in any foreign country, and is not used in this country within six months of the registration in this country, the copyright in the design shall cease.

That is a very proper provision. Under this Bill a person who registers a design here would get a monopoly of the design

for at least twelve months, and in that interval he might bring in goods to which the design was to be applied, but which might not be consumed here for a period of five years.

Senator TRENWITH.—If the term were altered from twelve months to six months, would not the honorable senator's object be achieved?

Senator Sir JOSIAH SYMON.—No. Why should we subject Australians to a penalty? The owner of the design is to use it in Australia in the manufacture of articles, but there is no provision as to the manufacture of goods elsewhere. Let us substitute for this the English section, which will make our object clear and again bring our legislation on the same plane. If Senator Keating wishes to postpone the consideration of the clause, I shall not press this matter upon him, and perhaps it would be well to afford an opportunity for its further consideration.

Senator MCGREGOR (South Australia) [4.48].—I think it would be advisable for us to pass the clause as it stands, or else to reduce the period within which use must be made of the design from twelve months to six months after registration. At the same time, it appears to me that twelve months is not too long to allow any one who may register a design to proceed to use it or cause it to be used in Australia. A design might be brought out and registered in Australia, and it might be impossible for the person registering it to use it here within less than twelve months. In the meantime, if it were registered no one but the owner of the design could import an article bearing such a device. If the individual registering the design manufactured abroad, and proposed to introduce from beyond the Commonwealth articles bearing that design, he could do so for only twelve months. That would be a much less heinous sin against the individual than it would be to compel a man who had registered a design, and found it impossible to use it in the manufacture of articles in Australia within six months, to forfeit his registration. Having taken all these points into consideration, I think it would be preferable to pass the clause as it stands.

Senator Sir JOSIAH SYMON (South Australia) [4.50].—Senator McGregor has entirely missed the point. There are two evils in this clause. We want to prevent a manufacturer in foreign parts registering a design and enjoying for twelve

months, or three months, or any period whatever, a monopoly of that design in Australia when he has no intention whatever of causing it to be substantially used here. This clause is intended really for the benefit of Australians. If a man is using a design in some other country, he may register here just as he may do in England, but the English law says to such a man, "At the end of six months your registration shall cease unless the articles to which it relates are manufactured, according to the pattern or design, in England." That is only just and fair. Honorable senators talk about protecting the local manufacturer, and this is an illustration of how his interests may be affected. The second evil of this clause is that it imposes a restriction upon a man who designs something in Australia, but may not be able to manufacture it. Why should we limit the fruits of his inventive genius to six or twelve months? He might not be in a position to get a manufacturer to take up his design, and in that event his registration at the end of twelve months would cease. That would be a monstrous injustice. One man might be engaged by a manufacturer to prepare designs from day to day, whilst on the other hand a poor man, having great skill in designing, might be told by a manufacturer whom he approached that he was not prepared to touch it for a year or two. The manufacturer might say that he would allow the matter to stand over for five years, at the end of which time the design would become common property. Why penalize an Australian designer in that way? Let the Australian designer have his registration, not for twelve months, but, if honorable senators like, for five years, without being called upon to use it in the manufacture of articles. There would be no harm in that. The harm lies in allowing a man who has been manufacturing goods outside, according to a certain pattern, to come into Australia and to obtain a monopoly to sell here as freely as he pleases. These are the two points that have impressed themselves upon me. They may be explainable; my view may be a mistaken one, but I do not think it is. We have no greater protection against the man who manufactures abroad and sends his goods here than we have against a local Australian designer—not a manufacturer—who invents a design and is unable to get any one to take it up, with the result that in twelve months he loses the fruits of his

work. A manufacturer abroad could apply his registered design to articles made outside, and for twelve months—or twice as long as is allowed under the English Act—enjoy a monopoly of registration here.

Senator TRENWITH. — He must comply with the clause within twelve months.

Senator Sir JOSIAH SYMON. — But the local man is to be subject to the same disability, although he may be totally unable to apply his design or pattern to an article of manufacture. I would strongly urge the Minister to consider these points.

Senator TRENWITH (Victoria) [4.55]. — There certainly appears to be something very important in the contention raised by Senator Symon that we might have persons from abroad registering a trade mark and using it here, for at least twelve months, to the exclusion and detriment of local producers. If the term could be shortened without doing injury to any one, I think it should. I do not agree with Senator Symon's view as to the period over which protection to the registered owner of a trade mark or design should extend. I do not think that any person should have the right to register a design, and to ask an unreasonable price for the use of something that is extremely desirable, for an extended period, to the detriment of the common weal. The period fixed in the clause seems to be long enough. I think, however, that there is a great deal of force in Senator Symon's contention that some person abroad might secure a monopoly of our markets without producing here, as designed by our legislation. I have in mind a case in point. I have had my attention called to a proprietary right in a descriptive word applied to an article of very common use which is largely imported. People here are manufacturing the same kind of thing, but are not permitted to apply that word to it. The proprietary right in that word would not continue for any length of time if the provision which Senator Symon has suggested was inserted in the Bill, and I would strongly urge upon the Minister the consideration of these points.

Senator Lt.-Col. GOULD (New South Wales) [4.57]. — Senator Symon has pointed out the difficulty which might occur to a man who registered a design and was unable to utilize it. A similar position arose during the consideration of the Patents Bill, which originally contained a clause somewhat similar to that now before us. That clause was so altered, however, as to

provide that, if the owner of a registered patent did not proceed to manufacture it within two years after the granting of the patent to him it should be open to any person to apply to the Court for an order permitting him to use that patent on fair terms, or, failing that, to declare the patent void. If we had a similar provision with regard to registered designs the position would be met. Under Senator Symon's proposal, the foreign designer would be granted protection for only six months, whilst an Australian designer would be protected for five years, subject, of course, to the right of any individual to apply to the Court to use the design on the ground that the registered owner was not making use of it. If the Minister in charge of the Bill agreed to the adoption of a clause similar to that to which I have referred, the difficulties with which we are now confronted would be swept away. We should first of all follow the language of the English Act, and then add a provision similar to that in the Commonwealth Patents Act.

Senator MCGREGOR (South Australia) [4.59].—I trust that the Government will stand by the clause. I recollect the arguments which took place on the proposal to amend the clause in the Patents Bill to which Senator Gould has referred. I entirely agree with the attitude he takes up with respect to patents, but I would remind him that the position in regard to designs is altogether different. Inventions might be patented which could not possibly be manufactured within five years, but this clause deals with designers in a reasonable way. As soon as a design has been registered no one else will be permitted to introduce that design attached to an article in a manufactured state into Australia unless within twelve months the owner has failed to apply it to something manufactured here.

Senator Lt.-Col. GOULD.—The thing to which it is applied need not be manufactured here.

Senator MCGREGOR.—It must either be manufactured here or used within twelve months. The difficulty pointed out by Senator Symon is that a foreign manufacturer or producer of goods of any description might register a design here, and, producing those goods abroad, send them into this country for twelve months. In such a case I agree that a period of six months would be better; but there is a difficulty. We are applying this measure

to both the Australian and the foreigner—we are rightly applying the measure generally. An Australian registering a design may not be in a position to have it attached to any article he manufactures or produces within twelve months. If, for instance, the design were applicable to calico or cotton fabrics, these are not manufactured here, and, before an order could be sent to England and the fabric received in order to attach the design, the twelve months would be gone. Senator Symon says that he does not want to apply this condition to the Australian designer, but to give the latter the full benefit of the work of his brains for five years or any number of years.

Senator Sir JOSIAH SYMON.—The period is five years in the Bill.

Senator MCGREGOR.—There is nothing magic about the period of five years, and we may amend that provision. Let us suppose a case in which an Australian registers a design consisting, for instance, of two butterflies and a black beetle, to serve as a design for wall paper, calico, butter, or anything else. There may be a foreign manufacturer who, as a design, has two butterflies and a grasshopper. There would be such a similarity between the designs that it would pay the Australian designer to register, and enter into an arrangement with the gentleman who owned the design of two butterflies and a grasshopper. The design would then have the run of the whole Commonwealth for five years, simply through the neglect on the part of Parliament to be firm, and make the provision definite.

Senator Sir JOSIAH SYMON.—Does the honorable senator think that the Registrar would register such a similar design?

Senator MCGREGOR.—The other would be a foreign design.

Senator Sir JOSIAH SYMON.—It does not matter; it is a good registration.

Senator MCGREGOR.—But it would not be registered. Cannot the honorable senator see that I do not mean that the two butterflies and the grasshopper were to be registered here at all? The goods bearing that design would be manufactured somewhere else, and come in here; but the Australian would register his two butterflies and a cockroach. The other design would be so similar that it would take the market, and the gentleman with the two butterflies and the cockroach would make an arrangement with the foreigner to block anything

else of that description coming into Australia. That is the reason I am so strong in supporting the Government in their endeavour to prevent any trickery of the kind after twelve months.

Senator Sir JOSIAH SYMON (South Australia) [5.5].—I shall not enter on the entomological discussion which Senator McGregor has introduced, and which has confused the subject a good deal; like the plague of flies in Egypt, it has thickened the atmosphere. I think there is great force in the suggestion made by Senator Trenwith that there should be discrimination, and I commend the idea to the Committee. Senator Gould made a suggestion as to how the difficulty might be overcome, but I think that Senator Trenwith's proposal is the better. I suggest that clause 28 should be enlarged in favour of the local designer, who ought to be protected, because the object of all this class of legislation is to encourage the inventive faculty. My suggestion is that in clause 28 the term of twelve months should be enlarged to two years, but that the foreigner should not have the same benefits as the Australian designer in that respect. I further suggest that we should embody, in the form of a proviso, the substance of the Imperial enactment, as follows:—

Provided that if such design is used in any manufacture outside Australia, the period aforesaid shall be limited to six months.

That seems to me a perfectly fair suggestion. A period of twelve months is too short for a designer, seeing that the purpose of the measure is to encourage designing, and, on the other hand, twelve months or two years is altogether too long for the man who has already used the design in manufacture outside Australia. I quite understand Senator McGregor's remarks about bringing in goods, and so forth; but six months is plenty of time for the purpose, because a person can register immediately, and he has six months in which either to manufacture or to allow Australians to get the benefit of his design. I move—

That the words "twelve months" be left out, with a view to insert in lieu thereof the words "two years."

Senator KEATING (Tasmania—Honorary Minister) [5.9].—I am very glad, as the Minister in charge of the Bill, to have had the benefit of the discussion on this clause. The Government were confronted

with considerable difficulty in making provision to meet the class of cases contemplated here—where a man has registered a design, and thereby obtained protection for five years, and the exclusive right during that period to apply it to certain articles. It is quite possible that, in some instances, a person may obtain this right by registration in a purely speculative way. It is quite possible, on the other hand, that a person may take advantage of registration without having in his mind any intention at the time to apply the design in the manufacture of articles in Australia. The difficulty we were confronted with was to ascertain what provision we should have in order to forfeit a copyright in a design, should a designer fail to comply with the spirit of this measure. The term before us was that provided in the English Act, and this provision may be looked on as one which regulates the terms and conditions on which copyright in designs is enjoyed. The Legislature says, "You acquire a copyright in design by registration, but there are certain conditions attached to your continued enjoyment of that copyright." In the English Act referred to by Senator Symon it is provided that if a design is used abroad in the manufacture of articles, and for six months after registration is not used in Great Britain for that purpose, the copyright shall cease. We have provided in the clause, as it stands, that the owner, having obtained a copyright for five years, shall forfeit, if within twelve months he does not substantially use or cause to be substantially used the design in the manufacture of articles in Australia. I may say that, personally, the view urged by Senator Symon is one which, to some extent, commended itself to my mind. It is quite possible that a man without any capital may originate a design which should insure to him some reward for his skill and labour in connexion with its origination. When we say to such a man that if he, having acquired a copyright for five years, does not use it or cause it to be used within twelve months, he shall forfeit, he is placed in a position which may prejudice him. Somebody who otherwise would be perfectly willing to use the design and to pay reasonably for the privilege, might under such circumstances say, "There are only one or two others besides myself who are ever likely to be in a position to apply such a design to articles of

manufacture in Australia, and, therefore, we shall let the term of twelve months run out, when we can have the benefit of the design, which, by that time, will have fallen into the public domain." The object of the legislation is to encourage designing in Australia, and also not to put the designer from abroad, or the person, whether foreign or Australian, who uses the designs abroad, in, at any rate, any better position than our own people. As to the amendment, I have to say that on consideration I shall offer no opposition to it. It will more amply secure persons who have originated designs, but who have not the means to give practical effect to them—persons who have to depend largely on our own people to buy the result of their work.

Senator DOBSON.—Can we differentiate between the foreigner and the Australian without clashing with Great Britain and the Convention?

Senator KEATING.—Undoubtedly we can make special provisions of our own to apply to all. The English Act of 1883 makes it a ground of forfeiture if a design is used in a foreign country, and is not used in England for six months; and that would indicate that some differentiation was contemplated.

Senator MCGREGOR (South Australia) [5.14].—I notice that the Minister backs down very easily, but I should like to point out that the difficulty he sees could be got over in another way. We ought not to run the risk of a person registering some design here, and then conniving with some other manufacturer not to do anything with that design for two years, while a class of goods to which that design might be attached, is imported from abroad. It would be easier if the Minister saw any difficulty in an Australian designer being able to comply with the provisions of this measure in twelve months, to provide for some Court to decide whether the registration should be renewed. We have a right to protect the Australian people from foreign designers of any description.

Amendment agreed to.

Amendment (by Senator Sir JOSIAH SYMON) agreed to—

That the following words be added—"Provided that if such design is used in any manufacture abroad, the period aforesaid shall be limited to six months."

Clause, as amended, agreed to.

Clauses 29 and 30 agreed to.

Clause 31 (Remedies for infringement of designs).

Senator GIVENS (Queensland) [5.18].—It is just as well that the Committee should understand the vital difference between this Bill and the Copyright Act, which we passed last session. In that Act we went to the full length of protecting copyright in printed books and artistic works. We even prohibited the introduction of pirated works, and protected the owner of a copyright to the extent of permitting the seizure of any goods which are an infringement of copyright. There is a whole series of sections in the Copyright Act extending from section 49 up to, and including, section 61, which give the owner of a copyright in either a printed book or an artistic design the right to set the law in motion and have books or artistic designs seized and forfeited to him if they infringe his copyright. In section 61 we prohibit the importation of pirated books in which copyright is subsisting in Australia. I hold that those are very good provisions; and if they were good for the Copyright Act, as applied to printed books and artistic designs, they are equally good for the designs with which this Bill deals. Why should not a man who uses his talents for the purpose of bringing out a design, which may be exceedingly valuable, enjoy the same protection as this Parliament gave to the man who writes a book, paints a picture, or produces some other work of art? I should like, before moving any amendment, to hear the Minister's views. Personally, I think we should go to the full length of prohibiting the importation of goods which infringe the copyright of the owner of a valuable design; and he should be able to get an injunction against people who pirate his design. If the provisions of the Copyright Act in this respect were good and necessary, as Parliament decided that they were, they are equally necessary in this Bill. I hope that the Minister will consent to include similar provisions in it, or will give us good reasons why they should not be included.

Senator KEATING (Tasmania—Honorary Minister) [5.21].—Provision is made, in the clauses which we have just passed, for securing damages and an injunction against any person who infringes the copyright of the owner of a design. With regard to the forfeiture of goods to which a design may be applied, I would point out that the question is not exactly on all-fours with pirated literary or artistic works that

are the subject of copyright under the Act passed last session. I laid some stress, in moving the second reading of this Bill, upon the distinction which has to be drawn between an article itself and the design. All that the law gives is copyright in the design.

Senator GIVENS.—How can they be separated after a design is applied, say, to cotton goods?

Senator KEATING.—They can easily be separated for the purposes of the law and for the purposes of the rights of the holder of the copyright. The design is treated as an entirely distinct subject-matter from the article to which it is applied. But, although that is the case, there are certain circumstances in which the design may be more closely related to particular articles than it is in other instances. In this case it is quite possible that the Courts, even without express statutory provisions similar to those alluded to by Senator Givens, as contained in the Copyright Act, might give redress in the nature of an order for the delivery up of the piracies. There have been some cases in which that procedure has been followed. As I have already pointed out, we have in this Bill largely followed English legislation, which extends from the Patents Designs and Trades Marks Act of 1883 down to amending legislation passed in 1888; and, as has been said in the course of the debate, we have thereby secured the full advantage of interpretations which may from time to time be put upon the English legislation by the highest Courts in the United Kingdom. So far as concerns legislation upon this subject, there is no express statutory power given to the Courts to award or order the delivery of piracies to the owner of a design; nor is there any express provision entitling the person aggrieved to obtain the piracies. But in cases which have arisen, the Courts have, nevertheless, acted upon that principle.

Senator GIVENS.—Why not embody it in Statute law?

Senator KEATING.—Because there will then be a danger of limiting the power of the Court. Let me draw attention to some of these cases. I have not the full text of them here, but they have been commented upon by Coppinger in his *Law of Copyright*. On page 451 reference is made to this very point. The author says—

There was no provision in the Designs Acts, nor is there in the present Act, analogous to that of the 23rd section of the Literary Copyright Act 1842, as to the delivery up of unsold copies

of a pirated book to the proprietor of the copyright without his making any compensation for the cost of production and publication; but in the case of *McCrae v. Holdsworth*, Lord Justice Knight Bruce made an order under the Designs Act for the delivery up to the plaintiff, "for the purpose of being destroyed, the drawing or drawings, point paper, and the several cards used in applying his design, and also of the articles manufactured by the defendants to which the plaintiff's design had been applied."

In a subsequent case, similar proceedings were authorized by the Court; and *Coppinger* goes on to say—

An order for the delivery of pirated designs now usually follows an injunction, but of course such an order cannot be made against a person who is not a party to the action.

Having in view the fact that we are not, as we were in the case of the Copyright Act, originating a large number of provisions, but are following as closely as we can the English legislation upon this subject; having regard to the further fact that there is no express provision for the delivery up of piracies in the case of designs as there is in the case of literary and artistic copyright; and to the still further fact that, notwithstanding such omissions from the English Act, the Courts, uniformly in the case of an application for an injunction, order the delivery up of piracies—I submit that we are on the safest possible ground in adhering to the Bill as it stands. By so doing, we shall have the benefit of the interpretation given to these provisions, and of the procedure that has been adopted by the highest courts in the old country, in enforcing the law. I feel sure that that is all that Senator Givens wants. He wants the persons who have designs to be fully and amply protected; and, so far as the law stands, he may rest assured that they will be as amply protected in that regard as they are being protected under the provisions of the Australian Copyright Act.

Clause agreed to.

Senator GIVENS (Queensland) [5.29].—The Minister's explanation does not quite satisfy me. The gist of his remarks is that the Judges in England, acting under the English law, have done what I contend should be ordered to be done by the Act itself. I fail to see why we should be satisfied with Judge-made law, when we have power to embody the will of the Legislature in the statute-book. It is wise that we should state the law plainly and straightforwardly when we are passing a Bill of this kind. Every reason which the Minister adduced against putting such a provision as

I advocate in this Bill may be adduced with equal force against the Copyright Act.

Senator KEATING.—No, because the judicial interpretation of the Copyright Act is entirely different.

Senator GIVENS.—Let us put an interpretation on the Act ourselves, so that the Judges cannot go behind it. Courts of law often differ. Frequently suitors have to appeal from court to court to find out what the law is. No person, unless he possesses great wealth will dare to seek the protection of the Court. Is a poor man who has a clear case to be put to a most expensive course of litigation in order to find out what the Judge-made law is? I fail to see why the intention of Parliament should not be expressed in the Bill. To this Parliament, which is the High Court of the land, is intrusted the duty of framing the laws, and that obligation ought not to be shirked. Section 49 of the Copyright Act of last year reads as follows:—

All pirated books and all pirated artistic works shall be deemed to be the property of the owner of the copyright in the book or work, and may, together with the plates, blocks, stone, matrix, negative, or thing, if any, from which they are printed or made, be recovered by him by action or other lawful method.

Why should not the author of a valuable design have a similar remedy? Why should not a man who holds a design for the printing of calico or cotton goods have the right to invoke the law and get the blocks and plates from which the design was being pirated handed over to him? Suppose, for instance, that an Australian design is put upon cotton goods abroad, and they are imported? Why should not we protect the Australian designer by saying, "So long as you can show that it is a piracy of your design the goods will become your property, to deal with as you may please." It is only by providing a drastic remedy which could be easily enforced that we shall give efficient protection to Australian designers. I move—

That the following new clause be inserted:—

"31A. All goods bearing any pirated design shall be deemed to be the property of the owner of the copyright in the design, and may, together with the plates, blocks, stone, matrix, negative, or thing, if any, from which they are printed or made, be recovered by him by action or other lawful method."

Senator KEATING (Tasmania—Honorary Minister) [5.33].—I think I can illustrate to Senator Givens how dangerous it would be to introduce such a provision into the Bill. Designs are not confined

simply to such as can be printed by the means set out in his amendment. If he sets out that these particular articles which may be used for certain classes of designs become forfeitable if they are wrongly applied the question arises, what will be the law with regard to cases where other kinds of designs, not specifically adverted to in the amendment, have been wrongly applied? For instance, in this text book *Coppinger's Law of Copyright*, I find a number of cases in which a distinction has been drawn between the design itself and the article to which it is applied. Here is one, on page 410—

Thus, where M. registered as a design a picture of a basket, stating that his claim was for the pattern of a basket consisting in the osiers being worked in singly, and all the butt ends being outside, it was held that what the plaintiff had registered was in reality a process or mode of manufacture, and was not a design within the meaning of the Patents Designs and Trade Marks Act.

That illustrates how the design itself may be severed altogether from the article as a legal concept and as a subject of legislation. What he was registering was not the design of a particular kind of basket that he wanted to make. A person might register a design for a water decanter, and the design might be used either in that article of utility or in an article of adornment. A man might design a certain form of chair, and the design might be applied in respect of an article of the value of a few shillings or of as many pounds; it might be used in respect of an article of pure ornament, and not an article of utility. But this amendment, it appears to me, only extends to the means of applying designs to fabric, and in so far as Senator Givens provides that the Court may forfeit those means of applying the designs, when they are piratically or authorizedly applied to articles, he leaves other classes of designs out of consideration.

Senator GIVENS.—No, I have plenty of other amendments to deal with them.

Senator KEATING.—In his amendment the honorable senator does not deal with any other class of design. What we are protecting here and what we are assuring to the person who registers his design is the exclusive right to apply it. We are protecting to him not any article at all, but merely a right to apply his design. There is no express provision in this Bill for the forfeiture of articles used in connexion with piracies, nor is there in the English

legislation. The law, as it exists in England, and as it has been given effect to by English Judges, is stated on page 451 of *Coppinger's Law of Copyright*, as follows:—

There was no provision in the Designs Acts, nor is there in the present Act, analogous to that of the 23rd section of the Literary Copyright Act 1842, as to the delivery up of unsold copies of a pirated book to the proprietor of the copyright, without his making any compensation for the cost of production and publication; but in the case of *McCrae v. Holdsworth*—

which was decided in 1848 under the Copyright Act—

Lord Justice Knight Bruce made an order under the Designs Act for the delivery up to the plaintiff, "for the purpose of being destroyed, the drawing or drawings, point paper, and the several cards used in applying his design, and also of the articles manufactured by the defendants, to which the plaintiff's design had been applied."

Then the author goes on to say—

An order for delivery of pirated designs now usually accompanies an injunction.

In a previous part of the Bill we have made a provision that a party aggrieved may apply for an injunction. The provisions of this Bill are analogous to the English provisions. The procedure which will be adopted here for the enforcement of these provisions and the rules which will govern the action of the Courts will be the same as those which prevail in Great Britain, and an order for the delivery of pirated designs will usually accompany an injunction. Because, as I said before, the circumstances are dissimilar in that regard from the cases of literary piracies. A man may have a design which may be applied to different articles of the same class.

Senator GIVENS.—Hear, hear! But it will not be applied if a man knows that the articles will be liable to forfeiture.

Senator KEATING.—It is not the article to which a design is applied, but the design itself that the Bill has in contemplation. I would ask the honorable senator not to press his amendment. It would complicate considerably our law. It would do what is worse than that. By making express provision which could only cover a certain number of cases, it would probably exclude a large number of cases from the benefits which are now enjoyed in England by the action of the Courts in enforcing the forfeiture of pirated designs. Evidently the honorable senator does not realize that he proposes to forfeit, not only the blocks, plates, negatives, and matrices,

but also everything by means of which the pirated articles are made.

Senator GIVENS.—I copied almost word for word the provision in the Copyright Act dealing with a firm which pirated artistic works.

Senator KEATING.—This amendment is going right beyond the scope of the Bill, which is introduced to protect copyright in designs, and not to protect the right in articles, which may be made in accordance with designs. How far would the amendment go? Take the case of a manufacturer of lamps. Does the honorable senator propose to forfeit all the machinery which the manufacturer had employed in the production of his wares for sale to the public? It seems to me that he does.

Senator GIVENS' (Queensland) [5.42].—By his recent remarks, the Minister has shown that he is an adept by clouding the issue by a mere mass of irrelevant verbiage. Every one of the evils which he says will follow from the adoption of this amendment would also follow from the adoption of an exactly similar provision in the Copyright Bill of last year. But we did not hear a word of this kind from the Minister when the provision was under consideration.

Senator KEATING.—That dealt with copyright in a different subject, and if the honorable senator had been here he might have heard my remarks on that point.

Senator GIVENS.—I have been here during most of the time. If under my amendment everything employed or used in the manufacture of a pirated design can be forfeited, then under section 49 of the Copyright Act everything employed or used in the production of a pirated book, from a steam engine or press down to the smallest particle of type which was used, can also be forfeited. In his previous speech the Minister adopted the extraordinary argument that, because in England the Judges had laid down certain law, there is no reason for its embodiment in our Statute on the subject. I think it is just as well to embody our law in black and white upon the statute-book, rather than have something which is dependent upon the varying opinions of Judges such as most of our common law is. Many attempts have been made in different countries to consolidate the common law, and that huge task, I believe, has been successfully performed in only a few cases. That all comes of leaving it to the Judges to say what is right in equity.

This Parliament has been intrusted by the people of Australia with the duty of prescribing what is right, and we should not shirk that responsibility. We ought not to leave to any Judge the interpretation of the wishes of the people of Australia in this regard. Senator Keating has quoted a case cited by *Coppinger*, who is an accepted authority, wherein a Judge held, before it was the law of copyright, that pirated goods were liable to forfeiture.

Senator KEATING.—The decision had nothing to do with the question of copyright; it related to designs in respect of which there was no express provision.

Senator GIVENS.—The Judge held that the Court had power to order the forfeiture of the goods, and he gave his decision accordingly. If that be good law, why not give it a place on our statute-book? The objection raised by Senator Keating that, under the proposed new clause, valuable goods might be forfeited because they bore a certain design, is no argument against its adoption. The possibility of such an occurrence would deter unscrupulous people from pirating a design and placing it on valuable goods. We know, for instance, that designs on carpets are exceedingly valuable. A man who pirates a design and applies it, say, to a valuable piece of carpet deserves to lose that carpet, just as the publisher of a pirated work deserves to lose the paper on which he has printed the pirated matter.

Senator GRAY.—The honorable senator would not enumerate all the offences to which this should apply.

Senator GIVENS.—I have copied from the Copyright Act the phraseology adopted by the Government when that measure was before us last year, making only the verbal alterations necessary to cause the provision to apply to designs instead of pirated books or pirated artistic works. If such a provision is desirable in the one case it is equally desirable in the other. Why should not the inventor of a valuable design have the same protection as is afforded the author of a book? In the Copyright Act we go much further than I propose. We actually prohibit the importation of any pirated goods. The Copyright Act provides that in the case of a pirated artistic work the authorities shall seize, not only the actual painting, but the canvas on which it appears. The principle is the same, whether it be applied to a canvas worth only 1s. or a carpet worth

10s. a yard. If a manufacturer applies a pirated design to a carpet, that carpet should be seized in the same way as we seize the paper or canvas on which a pirated artistic work has been painted.

Senator Sir JOSIAH SYMON (South Australia) [5.50].—I think that my honorable friend would do well to consider the terms of his amendment. They do not appear to me to carry out his own intention, and they will undoubtedly introduce into the administration of this Bill an element that will render it difficult to carry out. In the first part of his amendment he proposes that all goods to which any pirated design has been applied—there is no definition of “pirated design” in this Bill, but we know what is meant—shall become the property of the owner of the design. There is a great difference between a shipment of books and a shipment of carpets. It would be a novelty if in these circumstances a shipment of carpets were handed over without an order.

Senator GIVENS.—There would be an order of the Court.

Senator Sir JOSIAH SYMON.—No; the amendment provides that the goods are to be deemed the property of the owner of the design.

Senator GIVENS.—But the owner of the design would have to prove his claim by action or other lawful method.

Senator Sir JOSIAH SYMON.—He would have only to prove that he was the owner of the copyright in the design. That having been done, the whole shipment would be absolutely handed over to him.

Senator GIVENS.—And under the Copyright Act a shipment of books would be dealt with in the same way.

Senator Sir JOSIAH SYMON.—That is a very different thing. The honorable senator does not say that the carpet and the work of weaving the design on the carpet belongs to the owner of the design?

Senator GIVENS.—Nor does the paper, and the making of the paper, and the binding of pirated books belong to the author.

Senator Sir JOSIAH SYMON.—Quite so; but the author's brains are, so to speak, in the book. The desire of the honorable senator is to increase the remedy that the owner of a copyright design shall have against any attempt to pirate it. I suggest to him, however, that he should not press his amendment. In its present form it does not carry out his intention. If it has any effect it will have the serious one

of causing goods to which the owner of the copyright in the design has no claim to be handed over to him.

Senator GIVENS.—And the author of a book that has been pirated has no claim to the paper on which the pirated edition has been printed.

Senator Sir JOSIAH SYMON.—Then how is this provision to be enforced? If the honorable senator considers the matter, he will find that a person whose copyright in a design is infringed may seek damages and an injunction. In a matter of that kind the usual remedy is that the Court grants an injunction, and gives all the consequential relief necessary.

Senator GIVENS. — The honorable and learned senator would give the Court a great deal of latitude.

Senator Sir JOSIAH SYMON. — That of which I speak is done every day. If application be made for an injunction to restrain an infringement of copyright, the Court immediately gives the fullest relief that justice demands. In a case such as that to which Senator Givens has referred, the relief would be not to hand over a whole shipment of carpets to the owner of the design, but to destroy the design or order the goods to be re-exported. It would be an easy matter for a man to set up in business for himself if we decided that all goods to which was applied a design of which he was the owner should belong to him.

Senator BEST.—The great point is that a man might innocently acquire carpets, and so forth, to which a design had been wrongfully applied.

Senator Sir JOSIAH SYMON.—That is another point. A man might quite innocently import carpets to which a pirated design had been applied. It is provided that there shall be no infringement, for the purposes of a civil or a criminal remedy, unless the offence is knowingly committed.

Senator KEATING.—But the amendment goes further. It does not take such knowledge into consideration.

Senator Sir JOSIAH SYMON. — “Knowingly” ought to be part of the essence of the offence. The obvious remedy in the case of a book which has been pirated is that it should be handed over to the author, and that the man who has infringed the copyright of another man’s brains should have inflicted upon him the penalty of losing the paper on which the book is printed, and so forth. The position in re-

gard to designs is, however, entirely different, the design being only part of that which constitutes the complete production.

Senator TRENWITH (Victoria) [5.57]. —I have very great sympathy with the object which Senator Givens desires to achieve, but I think he has hardly a sense of proportion. There is a great difference between the piracy of books and the piracy of designs. Piracy of a book means in every instance the piracy of the whole value of the production. The paper and binding are merely the material by means of which the original crude value is presented to the public. The whole value lies in the brains of the author. There ought to be a severe penalty for stealing a man’s entire property in a certain thing. There can be no objection to following the same course with a view to achieve a like result in connexion with a design. A design may be, and probably will be, very different from a book in the proportion of its value. For instance, a design may be worth £1, and the complete article of which the design forms part may be worth £20 or £100.

Senator GUTHRIE.—The design may give it its value.

Senator TRENWITH.—And it may not. My view is that the owner should have ample protection. The question is whether we are not going beyond what is necessary to achieve that end. I realize, and to this extent I sympathize with Senator Givens, that there can be no offence, and no recovery, under this proposal unless a man has knowingly pirated a design.

Senator BEST.—That is not so. The amendment is in the form of a new clause.

Senator TRENWITH. — Then that is an additional reason why, notwithstanding the strong points made by Senator Givens, we should not adopt his proposal. It lacks proportion. Designs may be, and will be, applied to a thousand and one manufactured articles, and before the discovery is made that there has been a piracy many of those articles may have gone into private use and become the property of innocent persons.

Senator GIVENS. — All these arguments might well have been applied to the Copyright Bill.

Senator TRENWITH.—Not to the same extent. Under this amendment we should give to the proprietor of a registered design that had been pirated a right to goods that had cost any one of us any sum from, say, £1 to £100. That would be an

extreme step to take to secure what we desire.

Senator Sir JOSIAH SYMON.—The difference is that the carpet in the one case is the property, and the design may be merely ornamentation; in the other case it is the book that is the property.

Senator TRENWITH.—I have pointed out already that in the case of a book the whole property is in the letterpress, as the product of the brains of the man who wrote it, the paper and binding being merely the material in which it is presented. A design may be, as I have said, only one-twentieth, or, it may be, one-hundredth, or even one-thousandth part of the value of the completed article. The design may be valuable and important as an adjunct to the completed article, but not necessarily anything like the entire value, and, therefore, the cases are not parallel. If the remedy were made so terribly stringent as Senator Givens desires, the result might, and probably would, in some instances be that the penalty would fall on entirely innocent persons.

Senator GIVENS.—So it might under the Copyright Act.

Senator TRENWITH.—I do not see it in the same sense. While I sympathize heartily with the desire of Senator Givens, I think he is attempting to achieve the protection of a creator of a design by means that are unnecessarily stringent. I think he can insure protection under the Bill as at present drawn. If a design has been pirated, the owner can proceed by injunction to prevent its further use, and a penalty is provided apart from any damage that may be recovered for piracy.

Senator BEST (Victoria) [6.3]. — Much as we appreciate the anxiety of Senator Givens to give every protection to the proprietor of a design, we must realize the full effect of the amendment he suggests. Clause 31 gives a certain degree of protection.

Senator GIVENS.—“A certain degree of protection.” Hear, hear.

Senator BEST.—The clause provides certain remedies for the infringement of a design, and specifically says that damages are not to be awarded unless an infringement is knowingly committed. That is all very well so far as it goes, and it is a very proper clause. But the honorable senator wants to go further, and he, in a new clause, seeks to provide that all goods bearing a pirated design shall be deemed to be the

property of the owner of the copyright in the design, and may, together with the blocks and so forth, be recovered by action. Under such a clause it is not a question of a man having such goods knowingly in his possession; the mere fact of his having them enables the proprietor at any time to recover the goods, no matter how innocent the offending party may be.

Senator GIVENS. — Why did the honorable and learned senator not oppose a similar provision in the Copyright Act?

Senator BEST.—Because there is no analogy whatever between the two cases. Copyright in a book is really copyright of the letterpress that is contained in the book; the value given to the copyright is by reason of the originality of the letter press.

Senator GIVENS.—So it may be in the case of the design.

Senator BEST.—So it may not be in the case of a design.

Senator GIVENS.—Then why is a design used?

Senator BEST.—A particular design on a carpet or any other article of furniture may be the most insignificant feature of that article. As Senator Trenwith very properly said 99 per cent. of the value of a book attaches to the copyright in that book, while 1 per cent., we may say, by way of illustration, may represent the value of the printing, and so forth. In the case of a design, however, it is perfectly compatible with the conditions that it may be of comparatively insignificant value.

Senator GIVENS.—Then, why should it be stolen?

Senator BEST.—It is most improper that a design should be stolen, and a remedy is provided in clause 31. For years there may have been large importations of particular goods which we have been accustomed to consume in the ordinary way. Senator Givens himself might purchase a carpet bearing a pirated design, and he would be amazed if a man were to come into his house one fine day and say, “That is not your carpet that is on your parlour floor.”

Senator GIVENS.—What about a book? Just the same applies.

Senator BEST.—By way of illustration, let us reduce this to almost an absurdity. Senator Givens may have honestly purchased a carpet bearing a design, and have used it for a considerable time, and, as I

say, he would be amazed if a man were to walk into his house and insist on his giving it up because it bore a pirated design. It would be of no use for Senator Givens to say that he had bought it for 25s. or 35s., at a particular shop, or on a particular day. That would be no answer, and Senator Givens would have to give the carpet up; I mean that technically Senator Givens would have to give the carpet up, but really, I do not think he would. There would probably be trouble, and Senator Givens would be "in it."

Senator GIVENS.—Every argument the honorable senator is using would apply to a book I had bought. Why did the honorable senator support a similar clause in the Copyright Act?

Senator BEST.—Because we may have done wrong last session, it is not right that we should perpetuate the wrong.

Senator GIVENS.—Then the honorable senator thinks that we did wrong last session?

Senator BEST.—I do not admit that we did wrong last session; what I say is that there is no analogy between the cases. But even supposing Senator Givens is correct, his argument does not help him forward. If the facts and arguments I have used are correct, I appeal to Senator Givens himself to say whether it is desirable to perpetuate such a state of affairs. I say that it is not, and I suggest that the honorable senator should withdraw his amendment.

Senator GIVENS (Queensland) [6.10].—There seems to be a remarkable confusion of intellect, or, at any rate, a desire to confuse the intellect of other people on the part of some honorable senators who are opposed to the new clause. Senator Best has pointed out that goods bearing a pirated design might get into my possession, or the possession of any one else, and that if the proposed clause became law, the goods might be taken away from the person who had innocently acquired them. I say that that is so, and rightly so. It is a well known principle in law that no matter how often a stolen article is sold, it remains the property of the original owner.

Senator BEST.—Subject to many exceptions.

Senator GIVENS.—It apparently remains for a layman to teach a lawyer exactly what the law is. Both Commonwealth and States laws have suffered in the past, and are likely to suffer in the future,

[15]—2

because we have taken the legal element in Parliament much too seriously, and placed too much reliance on the words and acts of legal members.

Senator BEST.—We shall rely on the laymen in the future!

Senator GIVENS.—I think that would be much better, because then we should have plain laws. Lawyer-made law and Judge-made law is so full of subtleties and technicalities that even the Judges do not understand it.

Senator Lt.-Col. GOULD.—Still, it is a great protection to the average layman.

Senator GIVENS.—Laymen want some protection from the law and lawyers. Just as we have given the author of a book, or the author of an artistic work, absolute right and property in his registered copyright, so we should give the author of a design sole right and property in that design.

Senator Lt.-Col. GOULD.—Yes, in the design.

Senator GIVENS.—We not only give an author and an artist absolute property in the work of their brains, but we give them also property in the paper and binding of a book, or in the canvas or other material on which the work is pirated. We have a perfect right to give the originator of a design, property in that design, if it be pirated and placed on even an expensive carpet. If a man in selling a carpet sells a design which is not his property, he is an absolute thief.

Senator BEST.—If that is knowingly done.

Senator GIVENS.—I copied the proposed new clause word for word, with only the necessary alterations to make it suitable for this Bill, from the Copyright Act of last year. When the clause of the Copyright Bill was before the Senate, it was accepted as just and necessary, and I now claim the support of those honorable members who voted for that provision. There is one particular article on which the most artistic designers are continually engaged, namely, wall-paper.

Senator BEST.—Would the honorable senator take paper off a wall if it bore a pirated design?

Senator GIVENS.—Certainly, I would, just as I would tear away the canvas bearing a pirated picture.

Senator BEST.—Damages are provided for such cases.

Senator GIVENS.—If the procedure I advocate is just in the one case, it is just in the other. Wall-paper is given almost all its value by reason of the design, and that design is the property of the registered owner. Honorable senators may laugh and try to ridicule the whole position as Senator Symon did, by saying that the proposed clause would allow the seizure of a whole shipment of goods; but the Copyright Act allows an author or artist to seize a whole shipment of pirated books or pirated artistic works. If it is ridiculous in the one case, it is equally ridiculous in the other. I contend that the designer ought to have an absolute property in his design, and that no one should have the right to steal his brains. If any one puts the protected design inseparably upon his goods, the whole should be the property of the owner of the design. Otherwise, how is his design to be protected? Are goods to be allowed to be manufactured wholesale bearing upon them a protected design? If so, the property of the designer would be useless, because there would be no adequate remedy for the owner after the goods are scattered broadcast. It is true that under this Bill the designer can ask for an injunction. But the processes of the law are slow, and an injunction may not be obtained until the mischief has been done. The Bill provides for a small money penalty, but there is no adequate punishment. I hope that the Committee will be consistent, and will give to the author of the design the same protection as we gave last year to the author of a book or a picture. That is all I am asking for. It is an eminently reasonable request. It may be said that the goods will go into innocent possession. But the only effect will be to make people desiring unlawfully to use designs upon their goods understand the risk they run. If they improperly use copyright designs in the face of this measure, the goods will not go into innocent possession. Honorable senators who use that argument are simply begging the question.

Senator Lt.-Col. GOULD (New South Wales) [6.16].—If the good sense of honorable senators is brought to bear upon this question, they will see that Senator Givens is entirely mistaken. He is endeavouring to do a just thing by means that will result in acts of injustice. There is a great difference between a design and a book. Senator Givens says that a man who has taken

out a copyright for a design is entitled to the benefit derivable from it. I agree with him. But if a man chooses to put that design upon an article that goes into ordinary consumption, is it expected that every individual, before he buys the article, whether it be a carpet or anything else, will inquire whether the design has been pirated.

Senator KEATING.—It may be a shirt or an article of apparel.

Senator PLAYFORD.—A lady's corset, for instance. Such goods are the subject of designs.

Senator Lt.-Col. GOULD.—If we could be assured that the article upon which the pirated design was placed would remain in the hands of the man who used the design, and who was thus attempting to commit a theft, the proposal would be perfectly right and just. But, seeing that the design may be put upon a valuable article which may be purchased by an innocent man, the clause is too far reaching, and would be utterly unjust in its operation. Suppose a man imprints a certain design upon the cover of a book, which is purchased by a perfectly innocent person. Surely we are not going to allow that book to be forfeited because the design, without the knowledge of the purchaser, was pirated. To do so would be to commit a monstrous injustice.

Senator KEATING (Tasmania—Honorary Minister) [6.20].—I will give an illustration to show how far Senator Givens' proposal would reach. A comparison has been instituted between the forfeiture of pirated literary productions, and of articles to which pirated designs are applied. In the case of a book or literary production the author who is enjoying the copyright has remedies against anybody who unauthorizedly publishes that book in any form. The book represents the whole work of the author. The material on which the work is presented to the public is immaterial, so far as the author is concerned. It does not matter whether the book is printed in the simplest and cheapest form or in the most elaborate and expensive style. Its value lies in the literary matter contained in it. If literary copyright is of any value whatever, the value of a book consists in the literary work which it contains, and not in the material in which the book is presented to the public.

Senator Sir JOSIAH SYMON.—If you take away the writer's own genius from a book it is worthless; but if you take away a

design from a carpet you still have the carpet.

Senator KEATING.—It is only the literary matter that gives the book its value. But a design may be applied to an article which is valuable in itself. It is important to remember that this measure does not apply only to fabrics and to designs figured upon them. A man may, for instance, design a new inkstand. It may effect no improvement whatever in the way of utility upon inkstands already in use, but it may be novel in form, and the designer may wish to have the exclusive right in it for five years. Therefore he registers it. Somebody makes an inkstand in accordance with that design of very cheap metal; or a person may make quite a number of inkstands according to the same design without any intent to injure the proprietor of the design. He may make them from silver or gold. What relation in that case can the design bear to the actual material that is used in giving expression to it? Recollect that this amendment of Senator Givens' is not confined to cases where a design is knowingly applied. Where a person knowingly infringes a patented design penalties are provided. But in this case the very fact that a man might apply a patented design, which may for all practical purposes be of no value whatever, to thousands of articles, each one of which might have a value utterly disproportionate to the value of the design, would make the proposal work most unjustly. There may be cases in which the design constitutes the principal value of the article. But my honorable friend's amendment does not go that far. If the intention were to give legislative effect to the existing law in England there might be no objection to it.

Senator GIVENS.—I am not concerned with the English law; I am legislating for Australia.

Senator KEATING.—So am I, and so are we all. Senator Givens should recollect that he is not the only man in the Senate who is assisting in passing legislation for Australia.

Senator GIVENS.—I do not want to have English law continually "chucked" at me.

Senator KEATING.—Whether Senator Givens likes it or not, a law is none the worse for being the law of England. If the amendment provided that, on an application for an injunction, the Court might in every instance where it thought fit order a forfeiture of goods to which a protected design was applied, and the Court

was left to say how far the design gave value to the article, there might be something to be said for it.

Senator BEST.—In some cases the Court goes so far as to order the forfeiture of a certain portion of an article bearing a design.

Senator KEATING.—The Court in England, when it deals with an application for an injunction under English designs legislation—which corresponds with ours in this regard—in nearly every instance orders the forfeiture of the articles in question. If, therefore, Senator Givens proposed that, on an application for an injunction, the Court might order the forfeiture of the particular articles, or of the means by which the design was applied to the articles, or of either, or both, I should see no objection to it. But to set down in specific terms that in every instance, no matter what relation the design may have to the article to which it is applied, the goods are to be forfeited, is going too far altogether. The amendment would not simply apply to the application of some form or outline to fabrics, but also to the configuration and shape of articles of manufacture in respect of which a design would be applicable. To put in a provision of this character would, in my opinion, be to adopt means that would not merely be cumbersome for the protection of persons owning designs, but would in most instances work the greatest possible hardship, not only to the persons committing the offence, but to perfectly innocent persons.

Question—That clause 31A proposed to be inserted be inserted—put. The Committee divided.

Ayes	...	...	...	6
Noes	...	...	...	14
Majority	...	...	...	8

AYES.

de Largie, H.	Story, W. H.
Guthrie, R. S.	
Henderson, G.	Teller:
Higgs, W. G.	Givens, T.

NOES.

Baker, Sir R. C.	O'Keefe, D. J.
Best, R. W.	Playford, T.
Dobson, H.	Symon, Sir J. H.
Gould, A. J.	Trenwith, W. A.
Gray, J. P.	Walker, J. T.
Keating, J. H.	
Millen, E. D.	Teller:
Neild, J. C.	Pearce, G. F.

Question so resolved in the negative.

Amendment negatived.

Sitting suspended from 6.30 to 7.45 p.m.

Clauses 32 to 40 agreed to.

Clause 41 (Governor-General may make regulations).

Senator DOBSON (Tasmania) [7.48].—Until Senator Keating made his very clear and interesting statement this afternoon I did not know how important the question of classification was. It appears to me that this clause might very well give to the Governor-General precise power to make classifications applicable to the Bill as well as to prescribe the fees to be paid.

Senator KEATING.—I do not think that it is necessary.

Clause agreed to.

Clauses 42 to 44 agreed to.

Clause 45—

(1) A person shall not knowingly falsely represent that any design applied to any article sold by him is registered.

Penalty, Five pounds.

Senator DOBSON (Tasmania) [7.52].—This afternoon I interjected that in my opinion £5 was a very small penalty to impose. Senator Symon pointed out that it was only to be inflicted upon a man for stating that a design was registered when it was not, but I observe that the words "knowingly falsely represent" are used in the clause. It appears to me that for a maximum a fine of £5 is a very small punishment to inflict upon any one who has falsely done anything. It ought to be increased to £20.

Senator KEATING (Tasmania—Honorary Minister) [7.53].—The penalty is provided to meet the case of a man for falsely applying a design to an article which would be sold to the public. So far as the amount of the penalty is concerned, I am entirely in the hands of the Committee. If my honorable friend wishes to increase the amount he had better move in that direction.

Amendment (by Senator DOBSON) agreed to—

That the word "Five" be left out, with a view to insert in lieu thereof the word "Twenty."

Clause, as amended, agreed to.

Clauses 46 to 49 agreed to.

Progress reported.

METEOROLOGY BILL.

SECOND READING.

Senator KEATING (Tasmania—Honorary Minister) [7.55].—I move—

That the Bill be now read a second time.

Perhaps it will be advisable for me to make some reference to what has been done since direction of enabling this Par-

liament to exercise its powers with regard to the subject of meteorology. By paragraph VIII. of section 51 of the Constitution Act it is empowered to—

To make laws for the peace, order, and good government of the Commonwealth with respect to—

Astronomical and meteorological observations.

When the Commonwealth came into existence there was in this matter, as in many others which are referred to in that section, provisions of varying degrees of efficiency made in each State. In some States the meteorological work was conducted jointly with the astronomical work in the same premises and to some extent by the same officers. In New South Wales both classes of work were carried out at the Observatory in Sydney.

Senator MILLEN.—The Minister is not quite correct in saying that both classes of work were carried out by the same officers, because two staffs were maintained.

Senator KEATING.—To some extent the same officers were employed in doing much of the work there. In some States there are officers who do only astronomical work, and others who do only meteorological work. In Victoria both meteorological and astronomical work was carried out at the Observatory in Melbourne. In Queensland, on the other hand, the meteorological work was carried out under the superintendence of Mr. Wragge, who was conducting a weather bureau which, in its effects, and so far as its forecasts went, extended beyond the limits of that State. The astronomical work was not being carried out at an observatory. On the contrary it was, and still is, associated with the Survey Department. In South Australia the astronomical and meteorological work was being carried out by Sir Charles Todd, who for some time after the establishment of the Commonwealth was the Deputy Postmaster-General of that State. For some years in Western Australia the work in connexion with both meteorological and astronomical observations has been carried out at the Observatory in Perth by Mr. Cooke, who, I believe, is a very able and very efficient officer, and who for some time had a good deal of practical astronomical experience in South Australia under Sir Charles Todd. In Tasmania the work was being carried out at what was known as the Observatory in the Barracks Reserve in Hobart. There was really very little work of an astronomical character carried out there when compared with

the work done at Sydney or Melbourne or Perth. Certain meteorological work was carried out in Hobart, as it still is, by Mr. Kingsmill in a manner which, considering all the means at his disposal, I think my fellow senators from Tasmania will agree with me, reflects great credit upon him. These institutions did not all come into being simultaneously. For some years the larger States were carrying out astronomical or meteorological work. From time to time there have been Intercolonial Conferences, having for their object the consideration of the desirableness of securing co-operative or joint action in these matters, and also the best means to be adopted for carrying out united action throughout the States. The first of these Conferences was held at Sydney in 1879. Two Conferences have since been held at Melbourne, namely, one in 1881, and the other in 1888. More recently a Conference of meteorologists, in the light of their knowledge of recent political developments, was assembled at Adelaide. I do not propose to enter into a consideration of the work which was done at each Conference, but to briefly sketch the development of what I may term the Australasian method of dealing with matters of meteorology as compared with the single State method. At a Conference held in Sydney in 1879, New South Wales, Victoria, South Australia, and New Zealand were represented, the missing Colonies being Western Australia, Queensland, and Tasmania. It was considered by that Conference that it was desirable to secure the co-operation of New Zealand and Tasmania in a system of supplying weather telegrams then in existence as between South Australia, Victoria, New South Wales, and Queensland, the only Colonies that were not taking part in the system being Western Australia, Tasmania, and New Zealand. It was felt that New Zealand and Tasmania should supply, in conjunction with the other Colonies, the weather telegrams, on the basis on which they were being supplied as between the four eastern Colonies, and it was also recommended that a meteorological station should be established at Mount Wellington. I do not suppose it to be necessary for me to inform any honorable senator of the situation of that mountain. Two years later another Conference took place in Melbourne, and the organization outlined in 1879, vague and imperfect as it was, was then furthered.

As an outcome of that, the Governments of Tasmania, Queensland, and Western Australia appointed meteorologists to co-operate with those of the other Colonies in carrying out the bare scheme of organization that had been evolved from the two conferences of 1879 and 1881. Nothing further in the way of an intercolonial discussion of this matter took place until 1888. In that year another Conference was held in Melbourne. All the States were represented, Western Australia being represented by Sir John Forrest, Queensland by Mr. Wragge, and Tasmania by its then Government Meteorologist, Captain Short. Steps were taken at that Conference to perfect the then existing intercolonial system of supplying weather news in order that reliable State forecasts might be made; but one of the principles insisted upon was that each State Meteorological Department should confine itself to the providing of forecasts for its own State. A resolution having that for its object was moved by Sir John Forrest, and if my memory of the report of the proceedings serves me correctly, was seconded by the representative of New Zealand, and carried. Notwithstanding the passing of that resolution, the representative of Queensland at that Conference, Mr. Wragge—who, I suppose, dissented from it—subsequently showed his practical dissent by proceeding in the light of the information supplied to him from the other Colonies, to issue forecasts of the weather, not only in respect of the Colony of Queensland, in which he was located, but for the whole of the Australian Colonies. Another Conference took place at Adelaide, in 1905, but I shall not refer at this stage to what was done at it, since it would interrupt the ordinary course in which we should consider the development of this study in Australia, as an Australian, as opposed to a State or separate Colony matter. As I have said, Mr. Wragge, ignoring or disregarding the resolution passed at the Melbourne Conference in 1888, issued forecasts, not only for his own State, but for the whole of Australia. In 1902, in view of the fact that the Post and Telegraph Rates Bill was before this Parliament, and that it made no special provision for the transmission of meteorological telegrams free of charge, or at a reduced rate, Mr. Wragge's position, as one who was forecasting the weather for the whole of Australia, was considerably affected. The Queensland Government recognised at once

that the additional cost that was to be imposed upon the administration of that Department by reason of the operation of the Post and Telegraph Rates Act, would render it impossible for Mr. Wragge to continue his work as efficiently as he had done previously, unless the Commonwealth Government assumed the responsibility of carrying on his work, or the remaining States of the Commonwealth contributed something towards the cost of the maintenance of his Chief Weather Bureau. Negotiations were entered into between the Queensland Government and the Government of the Commonwealth, but, for a variety of reasons, it was impossible for the Commonwealth Government to take over the Queensland Meteorological Department, and to leave the others. One very strong reason was that the assumption of the control of the Meteorological Departments of the States is not, under the Constitution, similar to the assumption by the Commonwealth of the control of either the Post and Telegraph, the Customs, or the Defence, Department. Under the Constitution, the Customs Department went over to the Commonwealth, immediately upon its establishment on 1st January, 1901, whilst provision was made for taking over the Defence Department, and the Post and Telegraph Department, on dates to be fixed by proclamation. But with regard to the Meteorological Department, and many others in respect of which the Commonwealth has powers, the exercise of these powers must be preceded by legislation. Section 51 of the Constitution provides that the Parliament of the Commonwealth may make laws for the peace, order, and good government of the Commonwealth with respect to various matters. That means legislation is a condition—unless the Constitution otherwise provides—antecedent to the acquisition or assumption of the obligations of important States Departments affecting any of these subjects. Considerable correspondence passed between the Queensland Government and that of the Commonwealth—a much greater volume than that to which I should like to invite the attention of honorable senators. I think I have waded through the whole of it, and, although I may know a good deal about it, I dare say I have forgotten a great deal more, notwithstanding that I read it only recently. In addition to the correspondence which passed between the Government of Queensland and that of the Commonwealth, a

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number of representations were made to the latter from outside bodies. Chambers of Commerce throughout the whole of Queensland represented in the very strongest and most emphatic terms, the desirableness of the maintenance, at all costs, of Mr. Wragge's Chief Weather Bureau. Not only did these representations come from Queensland; New South Wales also furnished its quota. I think that the Chamber of Commerce in Sydney, and other organizations that had derived much benefit and value from the daily forecasts published by Mr. Wragge—

Senator GUTHRIE.—Agricultural societies.

Senator KEATING.—And also agricultural and pastoral societies in New South Wales and Queensland, made strong and emphatic representations in respect of the request of the Queensland Government, that Mr. Wragge's services be not lost to Australia. In the case of Tasmania, where Mr. Wragge's daily forecasts were also published, no official representations were made by the State Government, nor, so far as I recollect, by any local organization; but there were representations from private individuals who were entitled to speak with a certain measure of authority. I can say, from my own knowledge, that in that State much advantage was derived from these forecasts by persons following avocations connected with the soil. Perhaps still yet greater advantage was reaped by those following seafaring pursuits. As an illustration of some of the advantages that were derived by persons in that State alone, I propose to quote a very succinct letter that appeared in the *Hobart Mercury*, about the time that Mr. Wragge's services were likely to be lost. I quote this letter, because the writer appended his name, and because I am acquainted with his name, and know that he is very well known in the southern part of Tasmania.

Senator GUTHRIE.—Does the honorable and learned senator know the paper?

Senator KEATING.—The writer chose the medium for the expression of his views. The gentleman in question is Mr. Harold S. R. Wright. I think Senator Dobson knows him; he is, indeed, well known throughout Southern Tasmania, and his letter is an eloquent tribute to the value of Mr. Wragge's work. It reads as follows:—

Sir,—I noticed some days ago that Mr. Wragge had notified that unless and until payment was arranged for, no further forecasts of the weather would be forthcoming.

On making inquiries, I find that the sum required is £200—

I presume that that would have been Tasmania's contribution—

which I trust will be at once granted, and the forecasts resumed. Apart from their undoubted value to sailors and ships, I have much pleasure in testifying to their great value to me as a tiller of the soil, as I have been able to so arrange my work, and escape the effects of the approaching tempest of wind or rain.

I trust that if others, with like experience in other localities, were also to give their testimony without delay, the hands of the Minister would be so strengthened that he would authorize the expenditure, and so retain to us the great benefits that accrue from the publication of Wragge's forecasts.

This is the experience of a man expert in his calling, and who has occupied responsible local government positions in the south of Tasmania. The letter is short and pithy, and is a very eloquent tribute to the work that was done by Mr. Wragge, and which might be done by the Commonwealth Meteorological Department for the benefit of people connected with the soil. A few days later—on the 30th August—there appeared in the same newspaper a letter signed "W. McS." As the address "Black Brush," is given, I think that I, and probably Senator Dobson, can locate the writer. The letter was as follows:—

WRAGGE'S FORECASTS.

To the Editor of the *Mercury*.

Sir,—I read with pleasure Mr. Wragge's letter in Saturday's *Mercury* under the above heading, and can fully bear him out in what he says. To place the whole thing in a nutshell, I will give just one instance of my experience in reference thereto. Last season I was preparing to cut my crop of English barley, when *The Mercury* arrived containing a forecast that a storm was approaching, and would affect Tasmania in about four days. Through this I decided to wait, although at the time the weather was seasonable, and no sign of any break to the casual observer. A little after the time stated in the forecast the storm made its appearance, and lasted a considerable time, for in waiting for it to come and pass away it was fourteen days before I cut the barley; but I am pleased to say I then harvested it without a shower, consequently I was enabled to submit a bright sample, and obtain a satisfactory price. I am of opinion that these forecasts should be continued, and if it must be done by private subscriptions, I will willingly give my share.

These are only instances of individual tributes to the value of the work done in connexion with what we may call a national system of meteorology.

Senator DOBSON.—And they could be multiplied a hundred times over.

Senator KEATING.—That is so. I have, in addition, ample material to indi-

cate tributes paid to a national system by organized investigation, if I may so term it—investigation by people who, as societies and other bodies have considered, carefully weighed, and analyzed the work done and the results obtained. Of course, one may look, in some instances, for exaggeration in matters of this kind. But I have here an extract from an article by Mr. F. H. Bigelow, Professor of Meteorology, published in the *Year-Book of Agriculture of the United States*, for 1899. I may say the Meteorological Department is allied in the United States with the Department of Agriculture. In that article Mr. Bigelow says:—

For some years the view prevailed that a local observer could forecast better for his immediate district than the national official at the central office, but after an extensive trial, it was found that the Washington City forecasts verified 4 or 5 per cent. better than the local forecasts, and the local system was therefore abandoned. It is difficult to obtain any very exact account of the actual saving of property to the public as the result of these storm warnings, but it is everywhere agreed that it amounts annually to a very large sum. The direct cost of the weather service to the people has for several years been less than \$1,000,000 annually, and those in the best position to judge believe that the salvages alone would cover the expense of the work. This is quite independent of the many advantages accruing to our civilization from the agencies above described for serving the public in an agricultural, commercial, and educational way. The Committees of Congress, which are charged with inspecting the money value of the estimates, are in many instances ready to recommend the appropriation of more money than even the chief of the Bureau or the Secretary of Agriculture asks for. Another fact is that there has been a steady natural growth in the operations, and in satisfying the legitimate needs of the public, so that the people see for themselves the practical advantages of this great scientific work.

That is an article from a man occupying a responsible position. Here I may pause to say that the work done in the United States is on a very huge scale, altogether out of proportion to that which we can expect to do in Australia. Professor Bigelow says that the work has so demonstrated its value to the public that the Committee of Congress charged with the examination of accounts have constantly recommended that more money be provided than was asked for by the heads of the Agricultural Department. The magazine called *The Century*, of January, 1905, contains an article headed "Our heralds of Storm and Flood," by Gilbert H. Grosvenor. A portion of the article is headed, "A Dividend of Two

Thousand per cent.," and that naturally attracts the attention of even the casual reader. On perusing the article, we find how the dividend is accounted for, as follows:—

Probably ninety-nine men in one hundred judge the weather bureau by the weather forecasts which they read at the breakfast table in the morning paper. They execrate and ridicule the service when they are caught at their office or at the theatre unprepared for an unheralded shower, and, as likely as not, unhesitatingly assume to themselves the credit when the forecast is right. Will it be fair or will it be rain? How hot or how cold has it been to-day? They believe the weather bureau was created to answer these questions correctly, and always correctly for their personal gratification. They do not know that the local weather forecasts are only a fraction of the work, and a very small and unimportant fraction at that.

Some time ago a sceptical insurance company determined to investigate the amount of property saved in one year by the warnings of the weather bureau. It was a company of conservative men, whose estimate would be under rather than above the truth, but it found that on an average the people of the United States saved every year \$30,000,000 because of their weather service. As the people contributed \$1,500,000 every year to its support, this means that they get annually a dividend of two thousand per cent. on the investment. An investment in which the original capital is paid back twenty times over in twelve months is extraordinarily profitable, and well worth investigation. How does the Weather Bureau do it?

The writer goes on to illustrate his article by giving single instances of the work done year by year. I have here one of the reports of the United States Department of Agriculture—the report of the Chief Weather Bureau for 1902-3—and I might give some illustrations of the general way in which the work of that Department has been appreciated. This matter is of great importance in a country like Australia, which is so largely dependent for its prosperity on a foreknowledge of probable seasons, and some of the greatest resources of which lie in its pastoral and agricultural possibilities.

The following comment was made by the *New Orleans Times Democrat* of 28th November, 1902, on the warnings issued for the Gulf district, the only section east of the Pacific coast States in which agricultural products were endangered by frost.

This is the comment—

The warnings sent out on Wednesday morning were timely for all parts of this extensive district. Freezing weather occurred over Arkansas, Oklahoma, and northwest Texas. Heavy frosts occurred over the interior of Texas, and frost occurred generally over Southern Texas, and all of Louisiana. Frost was in evidence in New Orleans, and on the outskirts was quite heavy.

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The warnings of these severe conditions were issued by the weather bureau well in advance, and all business interests were prepared for the frosts and freezing.

I have also extracted from the *Galveston Herald*, of 4th December, 1902, this statement in regard to a cold wave warning:—

Last winter the weather bureau saved many thousand dollars to the farmers and truck growers of South Texas by timely warnings of heavy freezes, and yesterday morning, when the warnings were telegraphed and telephoned to points of interest, no time was lost in getting the tender vegetation under cover. The weather bureau's notice was practically two days in advance, because the coldest period is expected to-night and early Friday morning. When Sugarland was communicated with, the sugar mills were shut down at once, and all hands took to the "tall canefields," to use a common saying. It was reported that several hundred men were in the field cutting sugar cane and wind-rowing in an hour after the weather bulletin was received. The army of cutters was being rapidly reinforced, and it is expected that several hundred acres of cane will have been cut and stretched on the ground by to-night. A heavy freeze with the cane standing would play havoc, and would mean the loss of perhaps thousands of dollars.

There are equally complimentary references to the work of the Weather Bureau in the *Sugar Planters' Journal*, of New Orleans, for 20th December, 1902, and in the *Tampa Herald*, of Florida, of 27th December of the same year. In the latter newspaper the following short reference appears:—

"Heaving and damaging frosts to-night," was the brief warning sent out over this section of the State yesterday by the local weather observer, but the warning, despite its brevity, was effective, and doubtless saved thousands of dollars to the planters, especially those who own large "pineries," as the cold wave that struck the State was sufficient to greatly injure the "pines."

Apart from the newspapers, many extracts from which I could quote as to the value to farmers, agriculturists, and pastoralists generally of weather forecasts, a very eloquent tribute is paid by the manager or president of the United Telephone Company, Bellefontaines, Ohio, in a letter under date of 26th December, 1902, addressed to Mr. C. L. Lane, Weather Bureau displayman at Bellefontaine:—

Our telephone company desires to express in writing its appreciation of the cold wave warning given by you to our Superintendent on Wednesday last. We have 50 stations in our system, which extends throughout this and adjoining counties, and this news was immediately telephoned to each station, with instructions to circulate the information there. In our system are a great many farmer subscribers, and this news was given to each farmer. We take pleasure in telling you that it was appreciated a

great deal more than can be expressed here. We shall be pleased indeed to communicate to our patrons throughout our system any like information that comes to you in your position as voluntary observer of the United States Weather Bureau in our city, and we shall always be glad to render you any assistance at any time within our power.

At the beginning of the report of the Weather Bureau there appear quite a number of instances in which appreciation is shown of the work done. A short appreciation appears in the *Boston Globe* of 18th February, as follows:—

The biggest storm that Boston has seen for at least five years ceased yesterday, although its effects will be felt for several days yet. The storm was heralded by the Weather Bureau Sunday night. This gave sea captains more than eighteen hours' notice, and doubtless saved many vessels and lives.

In connexion with meteorology as a national subject in Australia—if I may use the term to distinguish Commonwealth administration from States administration—since the Queensland Government communicated with the Commonwealth Government in the manner I have just stated, there has been correspondence with the several States with the object of ascertaining their views and wishes with regard to the assumption of the Astronomical and Meteorological Departments, or either of them, by the Commonwealth. In the endeavour to ascertain the wishes and views of the States, the Commonwealth has met with some difficulty—not, I was going to say, a common, but an unusual difficulty. In the first place, we had the views expressed by the States Governments varying. The Government of Tasmania, under Sir Elliott Lewis, approved of the proposed transfer, but, subsequently, that Government, under the present Premier, disapproved of the establishment of any Federal Meteorological Department. In other cases we have a State Government approving of a transfer, while their officers hold divergent views.

Senator MILLEN.—Does the Minister object to state the attitude of the various States?

Senator KEATING.—I have no objection; I think it only fair that honorable senators should have that information. In some cases the States Governments ask that both Departments should be transferred, while their officers say that that is not the correct procedure to follow. The communications, so far, have had the following results:—From the New South Wales Government a communication was received on the 7th October, 1905.

Senator GUTHRIE.—Tell us what communication was sent to the States Governments.

Senator KEATING.—Does the honorable senator desire me to read the whole of the correspondence? The States Governments were simply asked their views in regard to the Commonwealth assuming control of the Astronomical and Meteorological Departments. On the 22nd August that communication, which was a circular letter, was acknowledged, and a reply was promised. On the 7th of the following October the New South Wales Government indicated that it would convey its views as early as possible. Since then there has been no direct official communication of the views of the New South Wales Government. But subsequently to that the Premiers' Conference was held, and a resolution was passed to which I will refer directly. From Victoria replies were received on the 20th September, 1905, and on the 30th March, 1906, to the effect that the Government of Victoria did not see its way to transfer any part of its astronomical and meteorological institutions. From Queensland, on the 19th October, 1905, an intimation was received that there would be no objection on the part of that Government to the transfer of the State Meteorological Department to the Commonwealth, provided the land, buildings, &c., were also taken over by the Commonwealth. South Australia, on the 22nd March, 1906, simply indicated that its Government was opposed to the establishment of a Federal Meteorological Department. Western Australia, on the 20th March, 1905, stated that its Government was of opinion that both the Astronomical and Meteorological Departments should be under the control of the Commonwealth. Tasmania, on the 25th August, 1905, acknowledged the letter, and on the 22nd March of this year a further reply was received intimating that the Government of that State was opposed to the establishment of a Federal Meteorological Department.

Senator DOBSON.—Did it give any reasons?

Senator KEATING.—No. As I said before, these communications all have to be read in conjunction with the resolutions arrived at by the last Conference of meteorologists in 1905, and with the attitude displayed at other times, either by the Premiers, the officers of the departments, or by previous Governments of the States. So far as Tasmania is concerned, when Sir

Elliott Lewis was Premier, his Government approved of the transfer of the department to the Commonwealth. Not only did it approve, but the correspondence indicates that it thought that in connexion with the Tasmanian portion, the expenditure should be annually about £707 10s., instead of something like £200 odd, as at present. The existing Tasmanian Government, as I have said, on the 22nd March, 1906, expressed its opposition to the establishment of a Federal Meteorological Department. Since then the Premiers' Conference was held. The Premier of Tasmania attended. The Conference passed a resolution approving of the transfer of both the Meteorological and Astronomical Departments to the Commonwealth. I am not prepared to say whether that resolution was unanimously carried. We may take it, I think, that New South Wales is content to rest upon the resolution passed by the Premier's Conference.

Senator MILLEN.—When the Premiers' Conference passed the resolution in favour of taking over both departments, did that mean both or neither? The Bill only provides for one.

Senator KEATING.—This Bill only provides for a Meteorological Department. Perhaps I may here introduce a quotation from the report of the Premiers' Conference, page 150. The President is reported—

The PRESIDENT.—The Federal Government wish to take over the Meteorological Department and leave the Astronomical Department behind. I do not want that. The Federal Government say that some of the other States are in favour of retaining the Astronomical Branch.

Mr. PRICE.—The two things are so near to each other that if they were separated there would be a duplication of departments. I think the Commonwealth ought to take both.

The PRESIDENT.—Whoever has meteorology ought to have astronomy—the two things go together.

Mr. BENT.—Yes, that is carried.

Resolved.—"That the Astronomical and Meteorological Departments be transferred to the Commonwealth together."

Senator MILLEN.—That answers my question.

Senator KEATING.—That is so.

Senator GUTHRIE.—Was there no dissent?

Senator KEATING.—No dissent is reported.

Senator BEST.—Why confine the Bill to the Meteorological Department? There is no harm in taking full powers.

Senator KEATING.—I am dealing with these matters in chronological order as far as I can. I have deviated only in order that honorable senators may appreciate thoroughly what has taken place. This is an enabling Bill, and it is a very small one, but honorable senators should be put in possession of all the facts. I propose not to omit a reference to the matter to which Senator Best has just referred, but I will deal with it when I have finished with the views of the different States. Tasmania apparently has registered no dissent from the resolution of the Premiers' Conference. Her communication, the effect of which I have indicated, is dated the 22nd March, 1906, and the Conference was held in April.

Senator Lt.-Col. GOULD.—Has the Tasmanian Parliament been sitting since then?

Senator KEATING.—It is sitting this week, I think. The communication of the Western Australian Government is in conformity with the resolution of the Premiers' Conference; and although the communication of the Government of South Australia is opposed to the suggestion for the establishment of a Commonwealth Meteorological Department, apparently since then South Australia has agreed with the other States that the two departments should be taken over. In Queensland the objection was not to the transfer of the Meteorological Department, provided the land and buildings were taken over; but the Queensland people are opposed to the transfer to the Commonwealth of their Astronomical Department, which is not worked in conjunction with their Meteorological Department. It is attached to and associated with the Survey Department of the State, and the Surveyor-General of Queensland is the responsible officer for dealing with astronomical matters. Victoria, according to the statement of Mr. Bent, is willing that both departments shall be transferred, and New South Wales has not given any express direct reply to the communications of the Commonwealth, but has apparently joined in with the opinions of the Premiers' Conference that the two departments or none should be transferred. In Victoria, successive Governments have been in power when this question has been considered. Since the communications were entered upon with the Federal Government, Sir Alexander Peacock was in power at one time; later on Mr. Irvine succeeded him; and

still later Mr. Bent has been Premier. While these communications were proceeding, the Federal Government asked that the Government of Victoria should call for a report upon the transfer of the Astronomical and Meteorological Departments to the Commonwealth. A report was obtained from the visitors to the Melbourne Observatory, who consist of a number of representative and scientific men, all of whom are men of attainments. They have gone very carefully into this matter, and have submitted a report which has been published as a parliamentary paper in the State of Victoria.

Senator MILLEN.—Are they a special set of visitors?

Senator KEATING.—They are. They consist of Professor Lyle, Mr. R. J. Ellery, Professor Kernot, Mr. Theodore Fink, Sir Alexander Peacock, Mr. J. M. Reid, Captain F. Tickell, and Sir Henry Wrixon. That report is a very important document as bearing upon this matter, because it is signed by men who are quite capable of dealing with it in the best interests of the administration of both departments. They reported to the Chief Secretary of Victoria on the 28th January, 1902, as follows:—

The Melbourne Observatory has, in addition to its legitimate work of astronomical observations and research, time service, chronometer rating, tidal registration, and other public requirements allied to astronomy, carried on many other branches of scientific investigation, the principal of which are terrestrial magnetism, seismography, gravitation, and meteorology. No serious objections can be urged against any of these additional undertakings, excepting meteorology. Meteorology, which consists mainly in the weather service, is no part of the legitimate function of an Astronomical Observatory, and its association with astronomy interferes with the advancement of the latter. This fact is fully recognised in Europe, America, and in other countries where national weather services are conducted by separate organizations, which are in no way connected with Astronomical Observatories. In them one central bureau receives the reports from all stations, classifies and tabulates the observations, give out weather forecasts for the whole country, and otherwise has complete control of the national meteorological work. Hitherto the control of the Victorian weather service has been unavoidably enforced on the Melbourne Observatory by State reasons of expediency and economy. But, as the weather services of the various States could be carried on in a much more efficient manner if placed under the control of a Central Weather Bureau, devoted entirely to the meteorological interests of the whole Commonwealth, the opportunity now offered of separating meteorology from astronomy should not be lost. We therefore recommend.—1st. That all meteorological work

at present conducted by the Astronomical Observatories of Australia be placed under a Federal Bureau, which should preferably be located in the Federal city, and controlled by a meteorologist of high standing. On the other hand, when we consider the Observatories as purely astronomical institutions, devoted solely to astronomical observations and research, and those demands of the State Government or the public that are germane to astronomy, we think that nothing would be gained either in efficiency or in economy by bringing them under one Federal control. The standing in the astronomical world of the men who at present direct the leading Observatories of Australia is such, and that of their successors should be such, that they should have a perfectly free hand to conduct whatever investigation or research they may consider appropriate to their individual resources and ability in advancing astronomical knowledge. We know of no observatory of which the director has not complete control of the astronomical work. Local considerations also impel us to strongly favour the continuance of the independence of the Melbourne Observatory. It has gained a high reputation by means of the valuable work that has been carried on in it. It has been liberally supported by the Government of Victoria, and has grown into an institution peculiarly creditable to the State. Its equipment is very valuable, and compares well with that of many European Observatories. Its position in the Southern Hemisphere is unique, it being the most southern observatory in the world. In it have been kept for 40 years continuous records day and night of terrestrial magnetism, which are of immense scientific value. Considering these things, we think it would be a matter of deep regret if our Melbourne Observatory were to be deprived of its individuality, and have the high reputation it has gained over a long period of years merged in some large organization or department comprising all the observatories of Australia. We therefore recommend—and. That the Astronomical Observatories of Australia, relieved of all their present meteorological duties, remain independent State institutions.

That is a calm, cool, dispassionate opinion from men who are capable of appreciating the value and importance of the work done by these two branches, astronomical and meteorological. The report was furnished, we may be quite sure, after the most careful consideration, and we may rely upon it that it was not affected by any questions of political or party expediency.

Senator BEST.—And it was disregarded by the Premiers.

Senator KEATING.—It may not have been read by them.

Senator MILLEN.—If disregarded by them it is affirmed by every competent man throughout the civilized world.

Senator KEATING.—The report affirms that it is desirable that the meteorological work should be severed from the astronomical work, and that the former should be

placed under one Federal control, and recommends that the astronomical work should remain with the States as heretofore. There may be a division of opinion as to whether that latter work should be federalized or not.

Senator BEST.—It is most difficult to understand why it should affect its efficiency.

Senator KEATING.—A certain amount of State or personal pride may be taken in the work which has been done heretofore, and there may be an indisposition on the part of many persons to forego for the States the peculiar advantages enjoyed from being in advance in this particular department of science and investigation. It may be felt that loss would result if federalized with less up-to-date observatories. There can be no question, however, that it is in the interests of meteorology in Australia, and of the great number of persons in every walk of life to whom an up-to-date meteorological service is of value, that the Meteorological Department of Australia should be a Federal Department. There may be a considerable diversity of view amongst persons who are competent to form opinions as to what particular system of organization should be adopted for working a Federal Meteorological Department. There may be many different opinions held as to the nature and classification of the particular branches of work which should be allotted to different parts of that organization. But I think that cold and calm investigation will reveal the fact that if we are to have in Australia an effective and up-to-date system of meteorology we must adopt a system something akin to that which exists in the United States, although not on such a large scale, in Canada, and in India. The State views we have on these matters are of course the views of the States Governments. Some of the views I have referred to have been communicated by correspondence. One Government, as in the case of Tasmania, has gone directly counter to the opinion expressed by a previous Government. Again, we have the conflict of opinion between the States Governments on the one hand and the permanent officers on the other. Then we have the conflict of opinion between the Government of Victoria and the Board of Visitors to the Melbourne Observatory. I think it will be interesting to honorable senators to know what was done at the Adelaide Conference of 1905. The

recommendations were dissented from in some particulars by Mr. Baracchi, the Government Astronomer of Victoria, and he in his dissent emphasized the views which are put forward by the Board of Visitors to the Melbourne Observatory as regards the necessity for an absolute divorcement of meteorology from astronomy in the interests of both departments of science and investigation. But when I read the report, it will be seen by honorable senators that, although the result of the conference was to disapprove of the establishment of a Meteorological Bureau for the Commonwealth, there was no doubt in the minds of all present that something like Federal or organized action throughout the Commonwealth was essential to the success of the Meteorological Department in each State. The Conference sat in May, 1905. In their report they deal first of all with matters astronomical. They say—

The work at present undertaken by the Australian Observatories is that which is most required, and represents a minimum programme. It may be conveniently considered under two aspects.

I do not know that there is anything under the head of "Astronomical" with which I need deal. It relates largely to instruments, observations, manuscripts, and records, and, amongst other things, it recommends—

That absolute and self-recording magnetic instruments be provided for the Sydney, Perth, and Hobart Observatories, and that a Milne seismograph be mounted at Adelaide, Port Darwin, and Hobart.

Under the head of "Meteorological" the report says—

The establishment of one central meteorological bureau to supplant existing institutions, and to singly carry out the Australian weather services, is, in our opinion, impracticable, for the following reasons :—

Three essentials of an efficient weather service are—

- (a) Accurate observations.
- (b) Rapid distribution of daily reports and forecasts.
- (c) Reliable weather forecasts.

(a) Under existing conditions, this is provided for by expert criticism immediately the observations are reported at the central State institution. In cases of suspected error, the observer is at once instructed by telegraph to repeat his reading. At present this is done promptly, and the reading is checked and amended. If, however, the control were removed to a central bureau at a great distance from the observing stations, this check would be often rendered useless by delay. Moreover, at present, each State Observatory is provided with a complete set of standard instruments, exposed

under favorable conditions. It is, therefore, in a far better position than a central bureau to standardize the instruments at out-stations.

(b) The very earliest information as to present and probable future weather is necessary in the interests of the public, especially those connected with the shipping industries. This is considered so important that recommendations are made by this conference whereby this branch of the service may be improved. If, however, the present methods were discontinued, and the work undertaken by a central bureau, it would lead to an increase in the number of telegrams, and a decrease in efficiency so serious as to deprive the forecasts of most of their value at places remote from the distributing centre.

(c) At the Intercolonial Meteorological Conference, held in Melbourne in 1888, the following resolution was carried:—

“No meteorological forecast or prediction made in one colony, and having reference to any other colony, shall be communicated by telegram to any other person or destination than the meteorologist of the colony to which such prediction refers.”

Mr. Wragge dissented, and, ignoring this decision, the Queensland Meteorological Department continued its practice of issuing forecasts not only for its own colony, but for all the colonies now forming the Commonwealth.

In order to see how far these forecasts were fulfilled, a strict record was kept at the Adelaide Observatory for a period of over twelve years (1891-1902), of the local forecasts, and those issued by Brisbane. These were compared with the actual weather conditions during the ensuing twenty-four hours, or the period covered by the respective predictions, with the following results:—

I do not propose to read the results in detail. It is sufficient for my purpose to mention that it is stated that of the forecasts issued from the Adelaide Observatory in that period 83 per cent. were correct, and 17 per cent. were either partially or wholly wrong, while of Mr. Wragge's forecasts for South Australia 62 per cent. were correct, and 38 per cent. were either partially or wholly wrong.

Senator BEST.—How could they judge fairly, seeing that his forecasts would be of a more general character?

Senator GRAY.—Was that return checked by Mr. Wragge?

Senator KEATING.—No; it was prepared by the man at Adelaide.

Senator Lt.-Col. GOULD.—I presume that the figures would be fairly correct.

Senator KEATING.—I do not think that the officer would be unfair.

Senator MILLEN.—Taking the figures as fair, it is not an argument either one way or the other.

Senator KEATING.—No, but in any case, I think it is better that honorable

senators should have the views of the Adelaide Conference laid before them.

Senator Lt.-Col. GOULD.—It is an argument against the establishment of one central bureau.

Senator KEATING.—Yes.

Senator MILLEN.—It may be an argument against the particular official who issued the forecast, and not against the system itself.

Senator KEATING.—That is the very point I referred to just now. With regard to the question of one administration of the matter, I think there is practical unanimity; but with regard to organization and details of administration there may be room for great difference of opinion. The report proceeds—

It is, however, highly desirable that a central institution should be established for theoretical and scientific meteorology, where the observations for the whole of Australia should be collected, discussed, and published, and where all the higher problems of meteorological science may be investigated, but such institution should have nothing to do with the daily weather service and issue of forecasts.

There is an affirmation of my statement that there is practical unanimity on the part of those who are competent to judge, that the matter of meteorology should be federalized, but that the details of administration and the particular methods of organization are matters which form a very wide field for speculation and controversy.

Senator Lt.-Col. GOULD.—And which this Bill by no means settles.

Senator KEATING.—No, and desirably so. I think, as I shall point out presently. The report continues—

The above reasons, and others arising from a consideration of the requirements of the Australian weather service, lead us to make the following recommendations:—

7. That a Central Institution be established for theoretical and scientific meteorology.

8. That in each State there shall be an official whose duty it shall be to see that observations are properly taken, and all necessary local information supplied to the public. This official to be the Government Astronomer in Sydney, Melbourne, and Perth; but in Melbourne (as the Government Astronomer and his “Board of Visitors” desire to be relieved of all meteorological duties on account of his more extended astronomical and scientific work); also in Brisbane and Hobart, where there is no Government Astronomer, the Weather Department shall be in charge of an officer appointed for the purpose, to be styled “State Meteorologist.”

To that paragraph there is a note stating that Mr. Baracchi dissented, and referring the reader to Appendix A. He did not dissent from a proposal that he should not be

the Meteorologist in Victoria, but he dissented from the recommendation that the Government astronomers in the other States should do this work. He was of opinion that it was a matter which should be separately dealt with.

Senator Lt.-Col. GOULD.—That the Government Astronomer should be relieved from that work?

Senator MILLEN.—Who represented New South Wales at the Conference?

Senator KEATING.—Mr. H. E. Lenehan, Acting Government Astronomer.

Senator MILLEN.—The officer in charge of astronomical work, and not the officer in charge of meteorological work.

Senator KEATING.—

9. That the weather services of Queensland and Tasmania be placed on a basis similar to that of other States.

Queensland's position now is very different from what it was some years ago. In Tasmania very little provision is made upon the Estimates for carrying out this work, which, nevertheless, has been carried out there excellently by Mr. Kingsmill.

10. That weather forecasts shall be issued by each meteorologist for his own State, and for that State only, and shall be telegraphed immediately to the meteorologists of the other States, who shall see to their prompt publication.

11. That a system of storm warnings for coastal districts shall be established upon some uniform basis for the whole of Australia, the warnings to be issued when considered necessary by the forecasting officials, each for his own State.

12. That a definite period, say half an hour, shall be reserved each day by the Telegraph Department, during which weather telegrams shall have precedence. (This is the practice in the United States.)

13. That weather forecasts and storm warnings shall likewise have precedence over all other telegrams.

14. That astronomical and meteorological telegrams shall continue to be transmitted free throughout the Commonwealth, but under amended regulations, in order to avoid the delays and difficulties which now occur.

15. That meteorological reports be transmitted and exchanged on Sundays in order that weather charts, forecasts, and synopses of the weather may be available for all days of the year without interruption.

16. That postmasters having charge of meteorological instruments shall take all necessary readings, &c., and forward reports, as required, without any special remuneration, as is now done in several of the States.

17. That it is essential that meteorological out-stations be periodically inspected.

18. That uniform methods of publishing the daily weather information are desirable, similar forms to be used in each State.

No matter how desirable they might be, these are proposals which would be difficult to carry out as long as the departments remained under separate State control—

19. That each State Meteorological Department should have a room at the General Post Office of the State, to which all weather telegrams shall be transmitted, so that no delay may occur in publishing the same for the information of the public. Facilities should also be provided by the Postal authorities of each State for exhibiting at the General Post Office and other selected offices weather maps and bulletins.

20. That daily reports should again be exchanged with New Zealand, and similar information should also be supplied by New Caledonia, Norfolk Island, and Fiji.

21. That meteorological and ocean current forms be distributed to over-sea shipmasters, the results to be discussed and published by one State or the central bureau.

22. That each observatory shall not, as at present, issue an annual statistical report, but until the establishment of a central bureau as recommended in (7), the observations shall be collected by one of the Government Astronomers, and published upon some uniform basis as a report upon the Meteorology of Australia. It is suggested that this work be done by the Adelaide Observatory.

From that recommendation Mr. Baracchi dissented, and gave his reasons.

Senator GUTHRIE. — Because the work was not to be done in Melbourne.

Senator KEATING.—I do not think that was the reason. He was of opinion that the work should not be done. Mr. Baracchi's views on these questions are to be found in an appendix to the report. They are as follow:—

On the question of Federalizing the Australian Observatories now being discussed at this Conference, the Board of Visitors of the Melbourne Observatory has, for reasons set forth in its thirty-seventh report, recommended—

Then come the two recommendations I have read. He continues:—

I fully concur in the above recommendations as the course which, in my opinion, is most suitable to serve the best interests of both meteorology and astronomy.

But as a great diversity exists in the character and administration of the institutions concerned, it becomes necessary to fully consider the practicability of the above recommendations. In the following remarks I propose to point out how these recommendations could be carried out:—

The Federal Government is empowered, but not necessarily bound, to take over those Departments which carry on—

1. The meteorological work.
2. The astronomical work.

This involves three probable cases, namely :—

- (a) That the State Weather Services, alone, be taken over by the Commonwealth Government, leaving the astronomical work under the independent control of each State.
- (b) That both the Meteorological and Astronomical Departments of all the States be placed under Federal control in their total capacity.
- (c) That neither the Meteorological nor the Astronomical Department be taken over by the Commonwealth Government, but that they be left to their respective States, as at present.

As to the first case—that the State weather services be taken over, and that the astronomical service be left to the States, Mr. Baracchi says—

Under this *régime* the main difficulties arise in regard to the Observatories at Perth and at Adelaide, where local conditions, interests, and opinions are against the divorcement of meteorology and astronomy; but an adjustment can be made to permit the weather services alone to be transferred to the Commonwealth, leaving the astronomical under State control, as at present. For this purpose I recommend—

That a Central Weather Bureau should be created, and eventually located in the Federal Capital, with a new and specially qualified man at its head.

In each State capital there should be a weather office, with a chief, to be styled the "State Meteorologist," subject to the control of the Central Weather Bureau.

The duties of the Central Weather Bureau should be the general administration of the whole weather service of the Commonwealth, the preparation and publication of all meteorological statistics and results, the investigation of all problems connected with the meteorology of the Commonwealth as a whole, and with the progress of meteorology as a science.

In the weather office of each State capital the State Meteorologist should issue the daily forecast for his own State, and that State only, deal with all local questions, distribute timely information, and serve local interests under the regulation of the Central Bureau.

He then sets out what he thinks should be the work undertaken in each State, but as these are matters of detail, the consideration of which is not involved in the question of the control of the Meteorological Department, I shall not read them all. He mentions, incidentally, that—

The Weather Office of the State of New South Wales should be located at Sydney, but quite apart from the Astronomical Observatory, and the director of the latter should be entirely relieved of any control whatever over the former.

The Victorian Weather Office should be at Melbourne, but separated from, and independent of, the Melbourne Observatory, which should have no duties whatever in connexion with the weather service.

The South Australian Weather Office could, on account of the reasons given earlier, remain, as

at present, at the Adelaide Observatory, in charge of the Government Astronomer.

The Western Australian Weather Office could, for the same reasons, also remain, as at present, at the Perth Observatory, under the direction and control of the Government Astronomer. In both cases, however, the above arrangement is, in my opinion, and in that of my Board, against the best interest of astronomy and meteorology.

Under this proposal, the Government Astronomer of South Australia would act in two capacities. In the one case, as Astronomer, he would be a State servant.

Senator GUTHRIE.—Not now.

Senator KEATING.—But under Mr. Baracchi's proposal he would occupy two positions. As Astronomer he would be a State servant, and as the Chief Weather Officer he would be a Federal servant. The same remark would apply to the Government Astronomer of Western Australia. With regard to Queensland and Tasmania, the officers would be purely Federal. In Queensland the Astronomical Department is administered by the Survey Department, whilst in Tasmania the astronomical work may practically be put down at *nil*. Mr. Baracchi continues :—

Under the above arrangement the Astronomical Observatories at Sydney and Melbourne would remain purely astronomical institutions, maintained by their respective States.

The Hobart and the Queensland Weather Offices would be entirely Federal institutions, dependent on the Central Weather Bureau.

The Brisbane Astronomical Observatory would remain an independent establishment of the Queensland Survey office, under the sole control of the Chief Surveyor.

The Astronomical Observatories at Adelaide and Perth would still be State institutions, but their directors would also take charge of the weather offices of their respective States, and in the latter capacity would come under the control of the Federal Weather Bureau. The adjustment of this apparent anomaly could be arranged by the directors remaining State officers, and the Federal Government paying a proportionate part of their salaries, the salaries of the meteorological assistants, and a proportionate part of the cost of the maintenance, &c., of the office.

That is in the case of the taking over of the Meteorological Department alone. Mr. Baracchi deals much more briefly with the second case—the proposal to take over both departments. He writes with regard to these—

In this case the Observatories of Sydney, Melbourne, Adelaide, and Perth would come under the Commonwealth in their total capacity, and the time service of Brisbane and Hobart would also become Federal work.

Should this course be decided upon by the Government, I recommend—

That the astronomical work of Sydney, Melbourne, Adelaide, and Perth be controlled, so

far as may be necessary or desirable, as regards co-ordination and distribution, by a Board of Visitors for each of the four Observatories, should be nominated by the Federal authorities, and consisting, as in the case of the present Board for the Melbourne Observatory, of University professors, high officials possessing expert knowledge, and other leading men.

These Boards should meet annually at their respective Observatories, and report to the Federal Government as to any steps required in the general interests of astronomical work. With regard to the third case, that neither of the departments be taken over, he says—

In this case it is only necessary to point out that, were the astronomical observatory and weather services to remain under the control of the States, as at present, the recommendations embodied in the report of the Conference—

Under certain conditions would still be applicable. He says, in conclusion—

I wish to explain, in conclusion, my reasons for dissenting from my colleagues at the Conference on the two vital question in clauses 3 and 8. In regard to clause 3, I am of opinion that, if any method of ruling is to be laid down as to the character of the astronomical work to be undertaken by the Observatories, the ruling body should not be the Astronomers themselves, but a Board in each State similar to that in connexion with the Melbourne Observatory.

In regard to clause 8, bearing in mind the recommendations of the Board of Visitors, in which I fully concur, that the absolute separation of astronomical from meteorological work is desirable in the interests of both these branches of science, it follows, as a consequence, that the weather services at Sydney, Melbourne, Adelaide, and Perth should be in charge of persons other than the Government Astronomers. If, in my recommendations, set forth in this appendix, I have suggested that the weather services at Perth and Adelaide continue to be conducted by the Government Astronomers of those States, it was only in order to avoid difficulties of a local nature in the transference of the Observatories to the Commonwealth.

My objection to the last clause (22) is that it would be inexpedient and undesirable, at present, to assign any part of the functions of the Central Weather Bureau to any one State institution, until we know definitely what action will be taken by the Federal Government with regard to the future of the existing Observatories.

Having regard to the disposition on the part of Queensland to transfer its Meteorological Department, with the condition that its equipment and land be taken over, and also to the further fact that the opposition of the Tasmanian Government to the establishment of a Commonwealth Meteorological Department must be considered in conjunction with the contrary opinions held by its predecessor, and that the present Premier gave his adherence to the resolution passed at the Conference of Premiers

Senator Keating.

—having regard to all these facts and to the views expressed by such a competent body as the Board of Visitors to the Melbourne Observatory, we may take it that there is in official circles a general preference for the federalization of the Departments of Meteorology. So far as the disposition of South Australia to oppose the establishment of the Meteorological Bureau is concerned, I think we may read it, in the light of this report of the Conference of Meteorologists, which unmistakably approved of some uniform action throughout the whole of the States. It seems to me that they are opposed, not so much to the principle of federalization itself, as to a particular system. What the particular system should or should not be if the Department is federalized is a matter for the most careful consideration. Some of these gentlemen oppose anything in the nature of national forecasts as distinguished from local forecasts, and the illustration given in the report, of the contrast between the local forecasts of South Australia, supplied from the Adelaide Observatory, and those supplied by Mr. Wragge, is used as an argument in favour of local forecasts as against those issued from a central office. A good deal may be said on both sides of that question.

Senator MILLEN.—We have conclusive evidence from the United States in favour of central forecasts.

Senator KEATING. — America affords some excellent illustrations as to that, and I think that Canada also furnishes instances of a most efficient service being provided at a comparatively small cost. In *Canada: A Memorial*, edited and published by E. B. Biggar, of Montreal, in 1889, there is a reference to this matter under the heading of "Marine." At page 167 the author writes—

There have been thirty-four new stations added during the year to the meteorological service. During nine months of 1881 there were issued 404 warnings of approaching storms, of which 331 were verified.

Honorable senators should not lose sight of the fact that this was seventeen years ago, and that meteorology as a science has since made considerable advances—

This service, which is increasing in value each year, was organized in 1871 with forty-six stations in all, and at an expense of \$5,000. In 1876 the daily forecasts of weather, known as "probabilities," were first issued. In that year 101 stations in Canada and six in Newfoundland reported by telegraph, of which fourteen

sent reports three times a day. On these reports, and on a collection of reports from the United States, the daily forecasts were issued. In 1884, a system of train signals was organized—

That system is used extensively in the United States—

by means of which those in sight of railway trains could know the weather from discs shown on the cars indicating "rain," "fair," &c. There are now 354 stations reporting to the central office at Toronto, the whole cost of the service being only \$55,000. The director of the service is Charles Carpmael, F.R.A.S.

That is an indication of the work done in Canada so long ago as the date mentioned. Honorable senators would doubtless like to have some idea as to the character and quality of the work that could be done in Australia, and what it would cost. About the time Mr. Wragge's services were being lost to Queensland and to Australia he published a scheme for proper meteorological observations as affecting Australia; and, I think, considered it would be necessary to provide something like £10,000 a year.

Senator GUTHRIE.—Would that cover all the States?

Senator KEATING.—That would cover the whole of the States. Mr. Wragge is, at any rate, a man competent to estimate the cost likely to be involved in a scheme to provide Australia with a suitable, efficient, and up-to-date meteorological service, and I should like to take the opportunity to read what he has said.

Senator Lt.-Col. GOULD.—Has the Minister any other estimate but that of Mr. Wragge?

Senator KEATING.—No; but I think it my duty to inform the Senate what Mr. Wragge's estimate is.

Senator Lt.-Col. GOULD.—According to one estimate, telegrams would cost about £10,000 per annum.

Senator KEATING.—Of course that would be a matter for administration.

Senator WALKER.—Is Mr. Wragge in Australia at present?

Senator KEATING.—I believe Mr. Wragge is in London. The scheme is set forth in an article originally published in the *Pastoralists' Review* on the 15th May, 1901. Mr. Wragge says:—

The establishment of a first-class meteorological service, thoroughly practical, and for the benefit of every section of the community, for the entire Commonwealth of Australasia, embracing also New Zealand, New Caledonia, and

surrounding areas of ocean, is of immense, nay, paramount importance.

The following, then, are our suggestions:—

1. The Federal Meteorological Service of the Commonwealth should have a most sure and stable foundation, following the example set by the famous Chief Weather Bureau at Washington.

2. The whole should be managed from one great central office, which, preferably, should be situated near the east coast of Australia, by reason of facilities afforded for aggregating telegraphic reports. Brisbane and Sydney form excellent examples.

3. The central office, on which meteorological researches for all the stations would depend, should be concerned in meteorology only, following the example set by Great Britain, Canada, India, the United States of America, France, Germany, Austria, Belgium, Roumania, and other civilized countries, and should not be hampered by astronomical work or other branches of science, which, professionally, have no direct bearing on the work of the weather bureau.

5. The work of the central bureau should be divided into two main points, the one embracing climatological research, and the other forecasting the weather. A sub-branch should deal with ocean meteorology and the study of ocean currents. Data should be collected from all incoming ships, and pilot or track charts prepared, in the interests of maritime commerce and the sea-faring community, for all the waters of the Southern Hemisphere. The charts should be similar to those published by the Meteorological Office, London, and the Weather Bureau, Washington, for the North Atlantic and North Pacific. Moreover, masters of vessels should be supplied with proper entry forms, and their meteorological instruments tested and examined by official standards whenever possible, and every encouragement should be given to them, embracing, say, certificates of merit for such meteorological logs as are worthy of them. With regard to climatology, it is well known that every physiographical feature, scientifically considered in accordance with latitude, has its own peculiarities of local climate, different climates on the hill top, slope, in the scrub track, in valleys, on plains, and by the sea coast, as example. All these peculiarities should be studied by the most rigid system, embracing punctuality of observation, and the most perfect method, by the best observers, possessed of the best instruments, in pastoral, agricultural, horticultural, sugar planting, and especially hygienic interests and others.

I read this in detail, not as a scheme to be necessarily approved, but in order that honorable senators may appreciate the work Mr. Wragge had in view when he made his estimate.

If we take agriculture as an example, various plants and seeds require different climatic conditions in which to thrive and germinate, and herein we include a study of the climate of the very ground itself, on which geological factors have a bearing. Moreover, stock can be better raised in certain types of local climate than in

others. From the statistics aggregated in the great central bureau, doctors and patients should be enabled to obtain knowledge of those climatic conditions that would be likely to restore an invalid to health. Many other matters should be discussed in connexion with climatology, including evaporation, and solar and terrestrial radiation, also the actinism of the sun's rays, &c., for this branch of research has numerous ramifications, and is of the most practical moment. Household meteorology and the preservation and regulation of a healthy atmosphere in the very dwellings of the people come under this branch, and the public should be encouraged to study the subject by popular brochures issued for their benefit by the central weather bureau. By no means less practical should be the forecasting branch of the work. Forecasts of coming weather, accurate to about 95 per cent., should be promulgated by short telegraphic code words, within, say, three hours from the time of their issue from the central office, throughout Australasia, in which chambers of commerce, pastoral and agricultural clubs, and large business centres, as in the United States, should be included. Forecast signal flags should be hoisted at the principal post and telegraphic offices throughout the Commonwealth, indicating by different colours and designs every coming change of weather, such as hot winds, cold spells, rain, times of drought and floods, directions and forces of wind, cyclonic blows, dews, frosts, electric disturbances, snow storms, and all other meteorological phenomena, and, as has been done in America, special forecast signals should be attached to the guard's van of mail trains, and also to mail coaches, so that they that travel may read, and such signals would also be availed of by people living near railway lines and general coach tracks. Not only so, but the storm signal service at present in use on the Queensland coast should be improved and extended to the entire Australian seaboard for the great benefit of shipping and passengers by sea. Of so eminently practical a nature are reliable weather forecasts that every interest and vocation in life, from the wealthy squatter and the great shipping companies, down to the humble housewife, are touched by them, and, speaking of shipping, we have no hesitation in saying that by an extension of the forecast signals as proposed, loss of life, wreckage, and commercial damage on the Australasian coasts would be reduced by, say, 50 per cent. if they were heeded.

Then he goes on to other matters about the practical inspection of the different stations.

Senator BEST.—I suppose Mr. Wragge gives no statement as to how he makes up the £10,000?

Senator KEATING.—No, he gives no details. Mr. Wragge goes on to deal with the subjects of a branch bureau in charge of an assistant meteorologist in each State, directly responsible to the central office; providing observatories or stations, and dividing them into three classes; details of rainfall; the nature of the instruments to be used in each; the standardization of the instruments; a uniform system as the basis

of the service; the hours of observation; an international system of exchange of publications, and so forth. Then, after dealing in great detail with the system, he says, in paragraph 17—

As to the annual vote for such a service as that suggested, we may mention that, although the sum granted annually to the Meteorological Office, London, is £15,300 (the American vote exceeding this amount), we consider that the service proposed could be well initiated for a sum, shall we say, not exceeding £10,000. This would be a first-class investment in the interests of Australasia, and would yield sound interest in the well-being of the people.

As I said just now, I do not read Mr. Wragge's scheme for the purpose of influencing honorable senators to believe that, by passing this Bill, it is proposed to establish in detail a similar system; nor do I ask honorable senators to believe that the actual cost set down there is the cost the Commonwealth might be involved in by the establishment of a bureau. But Mr. Wragge is an experienced man, and he indicates in that article a system which might be adopted with great advantage, as he says, to all classes of the community throughout Australia. By this means information could be supplied which would be reliable and of great value, because, as pointed out, it touches the interests of everybody, from the wealthy squatter to the humble housewife; and in consequence of the information supplied, much damage to property, and danger to life and to person, which otherwise would be incurred, could be avoided. Mr. Wragge points out that such a system would be an excellent investment for Australia, and in the light of his knowledge and experience, he is prepared to say that it could be initiated at an expense of £10,000. I have quoted Mr. Wragge's words simply that honorable senators may understand what class of work might be effectively done by a Meteorological Department under the control of the Commonwealth, and that honorable senators may learn what, in the opinion of an expert, who has had very recent experience in Australia, is likely to be the cost. I have only now to refer to something said by Senator Millen by way of interjection. In the *Year-Book of the Department of Agriculture of the United States* for 1899, there appears a report on the work of the meteorologist, for the benefit of agriculture, commerce, and navigation. This is a most interesting report, but I do not intend to do anything more than refer honorable senators to it. The

report appears on page 71 of the volume, and is by Mr. F. H. Bigelow, Professor of Meteorology in the Weather Bureau, to whom I have already referred. There are two passages to which I should like to draw particular attention. On page 84 Mr. Bigelow says:—

The magnificent result of receiving at Washington D.C., and at all the larger cities of the country at the same time, the complete records from one hundred and fifty stations within an hour after the observations are made, is testimony to the skill and experience of the electricians of the weather bureau and the telegraph companies.

A paragraph appears on page 85 which commences with this significant announcement:—

The discovery of the laws affecting the seasonal changes would certainly be of such benefit to mankind in the complex civilization upon which modern life is entering, as to justify the expense and the patient labour involved in such a contribution from each generation to its successor. The crude method of tilling the soil common in these days will certainly give way to an exact economical procedure, based largely upon the result of meteorological research, increasing in precision with the lapse of time. There already exists in the archives of the weather bureau an immense quantity of valuable material calculated to serve these purposes.

When we read that and think of the possibilities of the future, one must see the importance of meteorological work being carried out as efficiently as possible in all the countries of the world. There are some competent to judge who entertain the very strong belief that the work done by meteorologists to-day is but a fraction, and an insignificant and unimportant fraction of the work which, perhaps, will be done by such Departments throughout the world within a short distance of time. If meteorology will be able in the near future, not only to forecast for us the nature of the weather within a certain area during, say, twenty-four or forty-eight hours, but to predict with something like certainty the character and nature of the season before that season has been entered upon, one can readily understand what an immense influence such a science will have in the economic production of the world's requirements in the future. The United States has taken action in this direction, and has done good work. I have referred to the fact that Canada has done good work also. The record of her work as far as 1889 is set down in the extract which I have quoted. More recently India also has been carrying on extensive work within its territories, and has

communicated with Australia to ask the co-operation of the Commonwealth in carrying on what, after all, is not the work of one country only, but the work of all the countries of the world. A letter which appeared in a Sydney newspaper, written by Mr. Robert Binnie, some time ago, contains the following paragraph. He says:—

I note by your issue of the 18th inst. that Mr. H. A. Hunt, meteorologist, of this State, "who has frequently urged the desirability of receiving telegraphic data from as wide an area as possible for weather forecast purposes, has received a communication from the Director-General of Indian Observatories requesting cablegrams showing periodic changes in the distribution of atmospheric pressure over Australia, in order to assist in the construction of their monsoon or seasonal forecasts; further, that the cost of such cablegrams is to be borne by the Government of India."

So important does the Government and Director of Observatories of India consider the information which can be supplied from Australia for the purpose of seasonal forecasts, that they are prepared to pay the whole cost for transmitting the information from Australia to India by means of the cable. The letter concludes as follows:—

If Australian data is necessary for the Director-General of the Indian Observatories, how much more must it be necessary for the local meteorologist, when our rain comes from the tropical zone, and as the India Meteorologist Office is likely to be so much more fully equipped than our own, reciprocity with it is likely to be all in our favour.

What I have said goes to show that the different countries of the world are alive to their responsibilities in this matter, and are fully sensible of the great possibilities opened out by the scientific pursuit of the science of meteorology.

Senator DOBSON.—Has the Minister any figures to show the correct forecasts as against the incorrect ones in different countries? Has he, for instance, Mr. Wragge's percentage of accurate forecasts?

Senator MILLEN.—The Minister has mentioned the accurate forecasts for one country—Canada.

Senator KEATING.—Yes; they were for the year 1888, when there were 404 warnings, 341 of which were verified.

Senator GIVENS.—If the information were based upon a wider area the forecasts would be more accurate.

Senator KEATING.—And since then, of course, there have been greater opportunities for observation. The science has been brought more up-to-date, and we may

assume that the percentage of accurate results would be very much higher. Mr. Wragge estimates in the report which I have quoted that an Australian meteorologist should be able to issue forecasts that would be verified up to 95 per cent. We may expect in the near future that meteorologists will be able to attain something like accuracy in seasonal forecasts. The immense advantage of this in a country like Australia must be apparent to every one, as the seasons here vary more than they do in some other countries. This is a country which, according to experts, lends itself most readily to the study of meteorology, and, not only for its own sake, but for the benefit of other countries, meteorological research can be conducted in Australia with very great advantage. I feel perfectly certain that if we establish a Meteorological Department, working on efficient and uniform lines, we shall be able to repay ourselves, if not directly, at any rate indirectly, many times over. For these reasons, and at this juncture, in framing legislation to enable us to assume control of the Meteorological Department, it is desirable that the terms of our Act should be distinctly wide and elastic. We must legislate before we can assume. We cannot take over the Departments of the States by proclamation, nor do they come to us by the direct operation of the Constitution. We are empowered to legislate with regard to astronomical and meteorological observations. This is, in fact, an enabling Bill to empower the Government to acquire from the States their responsibilities and their duties in regard to meteorological observations. We want as far as possible to advantage ourselves of the existing institutions. Honorable senators—who, I must acknowledge, have paid me the very courteous compliment of following very closely, even when I was reading from some of these very dry reports—have recognised the diversity of conditions existing in the different States. Mr. Baracchi, for instance, makes the recommendation that the States of Western Australia and South Australia should be differently treated, and again differentiates in the cases of Queensland and Tasmania. All these different local conditions must necessarily be considered by the Administration in exercising the powers that I trust will be reposed in it by the passage of this Bill. It is for that reason, as well as for many others, that it is absolutely necessary that the Bill should be as wide as possible in its terms, so that

Senator Keating.

the Government of the day may be enabled to assume the control of these departments, either simultaneously, or as near as possible simultaneously, and may have due regard to the varying conditions of the different States, the varying degrees of equipment and efficiency of their departments, and the cost attendant upon the assumption of them. I have here in some detail an account of the equipment attached to each department in each State. Some of the equipment is for meteorological purposes almost solely. Some of it, on the other hand, is for astronomical purposes mainly. But I speak of that which is used for meteorological purposes, including the land and the buildings, as well as particular instruments. If any honorable senator wishes to have this information I can supply it to him before we finally deal with the Bill. The measure provides that the Governor-General may establish observatories, which are defined in the Bill as meaning places for "the purpose of meteorological observations." In empowering him to establish observatories, we are not therefore granting power to establish astronomical stations, but places purely for meteorological observation. The Governor-General is empowered to appoint an officer, to be called the Commonwealth Meteorologist, who is to be charged with the following duties:—

The taking and recording of meteorological observations; the forecasting of weather; the issue of storm warnings; the display of weather and flood signals; the display of frost and cold waves signals; the distribution of meteorological information; and such other duties as are prescribed to give effect to the provisions of this Act.

In addition to those provisions, there are others, enabling the Commonwealth to arrange with the States Governments for the transfer of the Meteorological Departments of the States, and for securing the services of State officers wherever necessary for taking the records which would be essential for the Meteorological Department of the Commonwealth; and the Government is also empowered to make arrangements with the States for the interchange of information between the Commonwealth and the States. Further than that, provision is made for the Governor-General to enter into arrangements for other matters which may be incidental to the execution of the purpose of the measure.

Senator DOBSON.—What is the present arrangement with regard to the interchange of information?

Senator KEATING. — The Commonwealth is receiving none whatever. There is, however, a certain amount of interchange between the States.

Senator MILLEN.—Are the telegrams being sent free now?

Senator KEATING.—The cost of them is debited to the respective States. Though it may be said to be only a bookkeeping matter, still they are paid for. If £100 worth of telegrams are lodged in New South Wales they are debited against that State; but of course the State also gets the credit of some of that revenue in the adjustment between Commonwealth and State.

Senator MILLEN.—Does the payment come out of the 75 per cent. of Customs revenue?

Senator KEATING.—No, because the Post and Telegraph Department's accounts are kept separately from the Customs accounts. The cost of the telegrams is debited in the first instance to the State which sends them. There is no provision in the Constitution, it will be remembered, with regard to the payment of only a certain proportion of the revenue of the Post and Telegraph Department to the States. I have gone more fully into this matter than might at first sight appear to be necessary, as this is such a small Bill. But the object I had in view was that honorable senators might see that we have to legislate before we can assume control of these departments, and that in legislating we must have regard to a variety of conditions and circumstances, only a small portion of which I could possibly deal with in the time I had allotted to myself, but which are all revealed by the reports and by the correspondence before me.

Debate (on motion by Senator Lt.-Col. GOULD) adjourned.

Senate adjourned at 9.45 p.m.

House of Representatives.

Wednesday, 20 June, 1906.

Mr. SPEAKER took the chair at 2.30 p.m. and read prayers.

PRINTING COMMITTEE

Report (No. 1) presented by Mr. WATKINS, read by the Clerk. and agreed to.

GENERAL ELECTIONS.

Mr. MAHON.—I wish to ask the Minister of Home Affairs, without notice, a question relating to an answer which he gave yesterday in reference to the possibility of holding the general elections in October next. Does not section 89 of the Electoral Act 1902 provide that writs for a general election are returnable within sixty days after the date of the issue of such writs? Does not section 5 of the Constitution provide that after any general election Parliament shall be summoned to meet within thirty days from the date of return of the writs? If so, would not the holding of a general election on any day in October next involve a meeting of the new Parliament before the end of the present year? Should a new Parliament meet before the end of 1906, will not the persons returned for the first time to the Senate at the ensuing election be precluded from sitting therein, seeing that section 13 of the Constitution provides that—

The service of a senator shall be taken to begin on the 1st day of January following his election.

On the other hand, would it not be unconstitutional for senators whose terms expire on 31st December next, and who are not re-elected, to sit in a new Parliament to which they were not returned?

Mr. GROOM.—I ask the honorable member to give notice of his question for to-morrow.

Mr. GLYNN.—The American practice provides for the contingency referred to by the honorable member for Coolgardie.

Mr. GROOM.—Under the Constitution a Senator enters upon the discharge of his duties on the 1st January following the date of his election, and continues to hold office thenceforward for a period of six years, though during the last year a new Senator may be elected.

Mr. GLYNN.—That has happened in America.

Mr. GROOM.—Yes. So long as a man is legally a member of the Senate he is entitled to attend any meeting of Parliament to which he is summoned. However, I shall look further into the matter, and give the honorable member an answer to-morrow.

SOUTH AFRICAN RECIPROCITY.

Mr. McWILLIAMS.—I wish to know from the Prime Minister if steps were taken during the recess to secure reciprocity between South Africa and the Commonwealth.

Mr. DEAKIN.—Yes; and the papers relating to the matter have been laid on the table. The Convention agreed upon is now under the consideration of the local legislatures, having received the assent of only one out of the four concerned. I have no doubt that, when it has been sanctioned by all, a further communication will reach us.

SALE OF EXPORTS.

Mr. POYNTON.—Will the Government favour an amendment of the Australian Industries Preservation Bill, making it penal for trusts, corporations, or individuals within the Commonwealth to sell goods abroad for less than they sell them for in Australia?

Mr. DEAKIN.—Will the honorable member consider how such a provision could be enforced?

PAYMENT OF MILITARY FORCES.

Mr. WATKINS.—Is the Minister representing the Minister of Defence yet prepared to give me a reply to the question which I asked a few days ago in reference to the non-payment of the artillery men who were recently on parade at Newcastle during the visit of the Governor-General to that city?

Mr. EWING.—No information is available at head-quarters, and therefore the Commandant in Sydney has been wired to for the necessary explanation.

COST OF DEPARTMENTAL INQUIRIES.

Mr. PAGE.—Has the Attorney-General any objection to informing the House as to the cost of the inquiries into the cases of Messrs. Gavegan and Hart, which took place in Queensland last year?

Mr. DEAKIN.—I think that my honorable and learned colleague will have no objection.

STAMP PRINTING MACHINERY.

Mr. BATCHELOR.—I wish to know from the Acting Postmaster-General what is the reason for the delay which has taken place in connexion with the purchase of machinery for the Commonwealth Stamp Printing Office? An amount for the purpose has appeared on the Estimates during the last two or three years.

Mr. EWING.—As I do not know definitely the mind of the Postmaster-General

in this matter, I am unable to give the honorable member an answer, but the amount to which he refers—£1,300 I think—will be again placed on the Estimates this year, so that if it is decided to complete the purchase, there need be no further delay.

BRISBANE TELEPHONE EXCHANGE.

Mr. R. EDWARDS.—Is the Acting Postmaster-General in a position to reply to the question which I asked a day or two ago in reference to the position of the girls connected with the Brisbane Telephone Exchange?

Mr. EWING.—The Public Service Commissioner informs me that one-half the positions of telephone switch attendants are to be open to females, while the other half are to be filled by telegraph messengers who have attained the age of eighteen years, and would otherwise, under the provisions of the Public Service Act, have to retire from the service. Effect will be given to this decision as vacancies occur in Brisbane and elsewhere.

RETIREMENT GRATUITIES.

Mr. BROWN.—I wish to know from the Treasurer the cause of the delay in paying gratuities to persons in the State of New South Wales who are retiring from the service of the Commonwealth. Will he see that these payments are expedited?

Sir JOHN FORREST.—There has been no delay for which the Treasury officials have been responsible, and, although some months ago it was difficult to obtain information from the Government of New South Wales in regard to certain cases, I do not know that any such difficulty now exists. However, if the honorable member knows of any specific cases, and will mention them to me, I shall be glad to give them my personal attention, and to expedite the necessary payments.

PAPERS.

MINISTERS laid upon the table the following papers:—

Report by Senator Staniforth Smith on the systems of Government, methods of administration, and economic development of the Malay States and Java

Ordered to be printed.

Military Forces regulations. Amendments of paragraphs 57, 130, and 216, Statutory Rules 1906, No. 44.

AUDIT BILL.

Mr. SPEAKER reported the receipt of a message from His Excellency the Governor-General, recommending that an appropriation be made from the Consolidated Revenue for the purposes of this Bill.

TARIFF COMMISSION REPORT.

Mr. JOSEPH COOK.—I should like to know whether the Minister of Trade and Customs has any information as to the date upon which the report of the Tariff Commission, relating to metals and machinery, is likely to be presented? If he does not know, will he consider the desirability of inquiring whether the Commission are likely to report at an early date.

Sir WILLIAM LYNE.—I think that the question might have been addressed to the Prime Minister. I have no information on the subject, but have heard rumours that the report will probably be presented about the end of the current month.

GOVERNMENT HOUSES,
MELBOURNE AND SYDNEY.

Mr. McDONALD asked the Minister of Home Affairs, *upon notice*—

In view of the demand made by the Premier of Victoria for the sum of £3,000 a year rental for Government House, will the Government take the necessary steps to arrange for the Governor-General to reside in Sydney and save the expenses entailed by the upkeep of Government House, Melbourne.

Mr. GROOM.—In reply to the honorable member's question, I have to state that the demand made by the Premier of Victoria is still the subject of correspondence, and until a decision shall have been arrived at, I would ask the honorable member to postpone the question.

LIGHT HORSE CORPS, GEELONG.

Mr. CROUCH asked the Minister representing the Minister of Defence, *upon notice*—

When is it proposed to establish a corps of Light Horse in Geelong, as promised some time ago, and for which corps a vacancy has been left in the local scheme of defence?

Mr. EWING.—In reply to the honorable member's question, I have to state that the matter is under consideration, and the Minister hopes to give a definite answer shortly.

PUBLIC SERVICE : SUNDAY WORK.

Mr. POYNTON asked the Minister of Home Affairs, *upon notice*—

1. Is it a fact that the extra remuneration of a day and a half's pay for Sunday work, author-

ized by this House, is being discontinued by the Public Service Commissioner, and time off for only one day being substituted?

2. If so, by what authority are the instructions of this House being overridden?

Mr. GROOM.—In answer to the honorable member's question, I have to state that the Public Service Commissioner has furnished the following reply:—

1 and 2. The resolutions passed by Parliament were to the effect that it is not desirable to employ public servants more than six days a week, but when they are, and have to attend on Sunday, time and a half is to be paid for it, and the Public Service Regulations provide accordingly. Officers are, therefore, as far as practicable, given one day's rest in seven, but where this cannot be done, and a Sunday is worked, time and a half is allowed for it.

PUBLIC SERVICE : FORTNIGHTLY
PAYMENTS.

Mr. CHANTER (for Mr. RONALD) asked the Treasurer, *upon notice*—

1. Has he made inquiries from his officers as to what the extra cost to the Public Service of the Commonwealth would be of fortnightly payments?

2. If he is satisfied that the extra expense will be little, if any, will he take steps to grant this great boon to the public servants immediately?

Sir JOHN FORREST.—In reply to the honorable member's questions, I have to state—

1. Yes.

2. The additional cost is estimated not to exceed £1,000. Further inquiries are being made, and a further reply will be given after the Budget is disposed of.

SIGNAL STATION, BRISBANE.

Mr. CULPIN asked the Acting Postmaster-General, *upon notice*—

Whether it is the intention of the Department to in any way abolish or reduce the utility of the Signal Station at Brisbane, by the removal of the operator?

Mr. EWING.—No. It is not so intended.

ASSISTANT COMPTROLLER OF
CUSTOMS.

Mr. WILSON asked the Minister of Trade and Customs, *upon notice*—

1. Under what section of the Public Service Act has the appointment of Mr. Lockyer to the new position of Assistant Comptroller of Customs been made?

2. Whether the Government is willing to furnish a return showing the appointments made to date in the Commonwealth Service in the 4th class and upwards, also showing the States from which such appointments were made?

Sir WILLIAM LYNE.—The answers to the honorable member's questions are as follow :—

1. No new appointment has been made under the Public Service Act. The position is an honorary one. The officer named has simply, with the concurrence of the Public Service Commissioner, been authorized to perform certain additional duty without any change or any increase of salary, and still retains the office and performs the duties of State Collector for New South Wales. Additional duties, or further powers under Acts are frequently thrown upon officers without change of status or increase of salary, and the general provisions of the Public Service Act do not apply to such cases. Section 3 states that the Act does not apply to an honorary officer appointed, *i.e.*, one without pay, and section 8 (2) provides that any "re-arrangement or improved method of carrying out any work which is expedient for the more efficient or convenient working of any Department" may be made by the Governor-General in Council.

2. As this question relates to the Public Service generally, it should be addressed to the Minister of Home Affairs.

AUSTRALIAN INDUSTRIES PRESERVATION BILL.

SECOND READING.

Debate resumed from 19th June (*vide* page 390), on motion by Sir WILLIAM LYNE—

That the Bill be now read a second time.

Mr. KENNEDY (Moir) [2.51].—I should like to remind honorable members who complain of undue haste on the part of the Government in proceeding with this measure that a similar Bill was discussed last session, and passed through the second-reading stage practically without division. After having listened attentively to the present debate, I venture to say that most of the criticisms launched against the Bill have been directed to proposals that are not embodied in it. As to the necessity for some such measure, I do not think there can be any question. Many years prior to Federation the right honorable member for Balaclava proposed to introduce a similar measure into the Victorian Legislature. The objects of the Bill now before us are clear and well defined, but, notwithstanding this fact, we have been told by the acting leader of the Opposition that the measure is a ruse on the part of the protectionists of Australia to bring about prohibition.

Mr. JOSEPH COOK.—Who said that?

Mr. KENNEDY.—The honorable member himself.

Mr. JOSEPH COOK.—No; I did not say that.

Mr. KENNEDY.—The honorable member for Lang used words similar to those I have employed, and the honorable member for Perth stated that the proposals contained in the Bill were "protection gone stark, staring mad."

Mr. FOWLER.—Hear, hear, and I am prepared to prove it if an opportunity is presented to me.

Mr. KENNEDY.—I have no quarrel with the honorable member so far as that is concerned, but the acting leader of the Opposition denies that any such statements were made.

Mr. JOSEPH COOK.—I denied that I had made any such statements.

Mr. KENNEDY.—I do not say that the honorable member used the exact words mentioned, but they indicate the gist of his argument. I venture to say that the question of fiscalism does not arise in connexion with this measure. It is quite possible for industries, whether under a protectionist or free-trade Tariff, to be practically crushed out of existence by the operations of trusts or monopolies, or by the dumping of goods, which the Bill seeks to prevent. With all due deference to the acting leader of the Opposition, I would point out that the necessity for a lecture on Socialism did not arise under this Bill. It appears to be impossible to discuss any matter at present without honorable members opposite raising that question. Even if this Bill be a socialistic measure, I shall have no hesitation in supporting the use in the manner proposed of the powers of government and legislation in the interests of the people.

Mr. McCAY.—There is no Socialism in the Bill.

Mr. KENNEDY.—The honorable and learned member's respected leader says there is.

Mr. McCAY.—My leader?

Mr. KENNEDY.—The acting leader of the Opposition, under whose leadership the honorable and learned member sits—

Mr. McCAY.—The honorable member is quite wrong.

Mr. KENNEDY.—I was under the impression that the honorable and learned member was sitting as a member of the Opposition. I have no quarrel with him on that account.

Mr. McCAY.—I have stated, over and over again, who is my leader.

Mr. KENNEDY.—I was under the impression that the honorable and learned

member was sitting under the leadership of the leader of the Opposition, but if I am wrong, I readily withdraw my observations.

Mr. McCAY.—There are two parties sitting on this side of the House, as well as on the other side.

Mr. KENNEDY.—The position occupied by the honorable and learned member affords evidence, if such were necessary, that an honorable member's political convictions are of more importance than the position in which he sits in the House as an indication of the way in which he will vote. If the Bill, in proposing that the Government should intervene in the best interests of the public, is to be regarded as socialistic, I am afraid that I shall have to be classed as a Socialist, because, although I am not supporting every detail of the measure, I am heartily in sympathy with its broad principles. I listened with deep interest to the speech of the honorable member for North Sydney, whose utterances are always treated with respect, because it is recognised that he speaks with a wide knowledge of trade and commerce. The honorable member raised no serious objection to the portion of the Bill which deals with monopolies, which he divided into two classes—constructive and destructive. Although the honorable member devoted his attention more particularly to constructive monopolies, he did not for a moment argue that such were dealt with by the Bill. The Bill is directed against monopolies that are destructive of the best interests of the Commonwealth, and, consequently, the honorable member's objections could not be urged with any force against its provisions. The honorable member for Lang stated that if the Bill dealt with monopolies in Australia—and he went so far as to name one alleged monopoly—it would have his hearty support. As a matter of fact, the Bill deals with Australian as well as foreign monopolies. That is made perfectly clear, and therefore the measure should have the support of the honorable member. There is no doubt whatever that the community has derived considerable advantages from large industrial and trading concerns. In modern times if we wish to produce cheaply we must produce upon a large scale.

Mr. JOSEPH COOK.—Is this the honorable member who was criticising me just now?

Mr. KENNEDY.—I criticised a statement of the honorable member, from which I differed.

Mr. JOSEPH COOK.—And now the honorable member is approving of what I said.

Mr. KENNEDY.—It may happen that the acting leader of the Opposition is right at times.

Mr. SKENE.—The honorable member for Moira is giving an improved version of the remarks of the deputy leader of the Opposition.

Mr. KENNEDY.—I was attempting to give a revised version of his statement.

Mr. JOSEPH COOK.—We admit that the honorable member has a difficult rôle to play just now.

Mr. KENNEDY.—My path is very clear whilst the honorable member continues to sit in opposition.

Mr. LONSDALE.—The honorable member is playing a very good game.

Mr. KENNEDY.—I was about to say that some of the best results that we have secured from industrial and trading operations have been obtained from the concentration of capital and economic management. Where these operations are carried on without detriment to the public, the legislation proposed in this Bill will not interfere with them in the slightest degree. I have no desire to take up the time of the House unnecessarily, but I wish to make my position perfectly clear, because some honorable members and a section of the press are only too ready to declare that whoever supports this class of legislation is a Socialist.

Mr. WILSON.—This sort of legislation is the very antithesis of Socialism.

Mr. KENNEDY.—Last night we were warned by the deputy leader of the Opposition of the dangerous results that might accrue from the present trend of legislation. I wish to say that if this Bill can be classed as socialistic legislation, I fear that I shall be found approving of it. But I rose more particularly to say a few words in regard to the latter portion of the Bill, which relates to dumping. It is to this part of the measure that the objections of the honorable member for North Sydney and of others have been chiefly directed. They have declared that in interfering in matters of this description the Bill practically usurps the powers of Parliament and overrides our Tariff legislation. But in the light of recent experiences, I ask—"Of what use is our Tariff, when we are called

upon to deal with men or corporations who deliberately set themselves up to evade the law?" Some objection has been raised by various speakers to the proposal to vest certain powers in the Minister. I say at once that I agree with the view expressed by the Attorney-General last evening, that if it be possible to secure the determination of the questions that may be raised under the measure by a judicial authority it will be much preferable to their decision by a Board. But to suggest that, because we cannot secure a judicial award, we should not attempt, by means of legislation, to deal with what may become an evil in the near future, is the acme of folly. If we cannot obtain a judicial award I am quite prepared to approve of the appointment of a Board—at any rate, as an experiment. It is true that this is experimental legislation, but are we to sit idly by and incur the risks with which we are confronted at the present time? We have been told by members of the Opposition that we must not interfere with trade or commerce. But in this connexion I would ask "Do not all Acts of Parliament interfere with the rights of some individual or other?" Further, do the powers which it is now proposed to confer upon the Minister exceed those which are vested in him under our Customs Act, and which are deemed to be absolutely necessary? Are not the powers of prohibition and confiscation vested in him under that Statute? Are not similar powers conferred upon him in some instances under our Commerce Act? I do not think it can be urged for one moment that prevention is not much preferable to cure. What is being done at the present time? Reference has already been made to the harvester business, but that business does not represent the whole of the trading operations of Australia. How is it that in Victoria the necessity for legislation of this description was discussed in the State Parliament long before the advent of Federation?

Mr. McWILLIAMS.—How is it that nothing is heard of it outside of Victoria?

Mr. KENNEDY.—Except in that little speck which mariners sometimes pass unnoticed, I venture to say that it has been heard of all over the world.

Mr. McWILLIAMS.—In what other part of Australia has the honorable member heard of it?

Mr. KENNEDY.—In every part.

Mr. McWILLIAMS.—In what part?

Mr. KENNEDY.—I do not require to go very far from my own home to step into the sister State of New South Wales, where I find that the people are more anxious for this Bill than they are in the district in which I reside. The same remark is applicable to the farming districts of Queensland. Throughout the whole civilized world, the rulers of the people are concerning themselves with this very question. The honorable member for Lang stated that if the Bill were to be applied to Australian operations it would command his hearty support. Last night he asserted that the manufacturers of Australian harvesters were selling their machines in Argentina at a less price than that at which our own farmers could purchase them. I cannot understand how any honorable member could make a statement of that sort and allow it to stand alone. I cannot understand why he did not adduce some proof of his assertion, more particularly as he must be aware that representative manufacturers of harvesters in Australia have sworn before the Tariff Commission that the wholesale invoice price of their machines on board ship here is £72 15s. That is the sworn testimony of the manufacturers whose books are available for inspection. Under such circumstances, what is the use of the honorable member declaring that they are selling abroad for £70. His statement is another evidence of how far some persons are prepared to go—irrespective of whether they are right or wrong—in order to establish their positions.

Mr. McWILLIAMS.—There is no duty levied upon harvesters in the Argentine.

Mr. KENNEDY.—That has nothing whatever to do with the hard facts of the case.

Mr. FOWLER.—Were the exporters to whom the honorable member refers invoicing their machines to themselves, or to people who were purchasing at that price?

Mr. KENNEDY.—They were not invoicing the machines to themselves.

Mr. FOWLER.—Well, it would be advisable for the honorable member to wait till the official evidence taken by the Commission is available.

Mr. KENNEDY.—I have read the evidence taken by the Commission, and it is to the effect that the machines were practically sold when they were put on board ship here, and were not being shipped to

an agency of the firm in another country. That is the nature of the affidavits of the exporters of these implements.

Mr. McWILLIAMS. — The Australian manufacturer can successfully compete with the American machines in the Argentine, where there is no duty levied, and yet he cannot compete with them here; even with the aid of a duty.

Mr. KENNEDY.—That is not the point at all. I am dealing now with the question of misrepresentation. I shall deal with the other matter when the necessity arises. The portion of the Bill to which I am referring has been introduced to enable the Australian manufacturer to manufacture under fair conditions of trade, whilst fully conserving the interests of the public. But, as a matter of fact, we know that the wealth and influence of some of the institutions and corporations with which we are confronted, which desire to obtain the trade of Australia for themselves, and to control the Australian farmer, will not permit them to deal fairly with the local manufacturer if it be possible to crush him out. I will give one illustration in proof of my statement. I venture to say that there is no Australian farmer carrying on operations upon a large scale who will not admit that, but for the inventive genius and enterprise of the local implement manufacturers, his industry would never have assumed anything like its present proportions. Wheat-growing would not have been possible in the northern district of Victoria, and in the western and southern districts of New South Wales, but for the enterprise and genius of the Australian implement manufacturers. Unfortunately, few of these individuals—I venture to say none of them—have yet become millionaires. I have no special brief on behalf of the Australian manufacturer, but I speak of things as I find them, and I belong to a class whose well-being up to the present time has been dependent upon the Australian implement makers. What is going on to-day with regard to the disc plough? It is a recent innovation in Australian farming—

Mr. FOWLER.—Is the disc plough an Australian invention?

Mr. KENNEDY. — The modern disc plough is. We had a plough brought from America, which was known as the Spalding Robbins plough, but to-day we have a disc plough purely of Australian manufacture, and one which is as far removed

from the original disc plough as is the binder from the old reaping machines.

Mr. FOWLER.—Is the cream separator an Australian invention? I suppose that the honorable member will want a duty imposed upon that presently.

Mr. KENNEDY.—I am now dealing only with the position of the Australian implement manufacturers, so far as ploughs are concerned. There are many varieties and grades of disc ploughs made by Australians. There are others which are turned out by American and Canadian manufacturers. If an Australian farmer wishes to have a piece of expensive scrap-iron about his place to-day, he will buy an American disc plough.

Mr. FOWLER.—Does the honorable member know that parts of the disc ploughs manufactured in Australia have to be imported?

Mr. KENNEDY.—I know just as much about disc ploughs as does the honorable member. I am not quite sure that he could distinguish between a disc plough and an up-to-date cow-bail.

Mr. FOWLER.—I saw a disc plough before the honorable member did.

Mr. BROWN.—If American disc ploughs are so bad, why should we fear their competition?

Mr. KENNEDY.—The competition up to date has done no harm. Finding that their disc ploughs have not met with the approval of the Australian farmers, what have they done during the last six months? They have gone round, and, for experimental purposes, have bought up the ploughs of all the leading makers in Victoria, and the makers of implements in the other States may be represented in their purchases also. The manufacturers of these implements have them covered by patents in Australia. I may say here that, so far as I know, the International Harvester Company have taken no active part in this business, but the Verity Plough Company of America have taken a very keen interest in it. Certain Australian implements have been subjected to tests alongside of American disc ploughs and other Australian disc ploughs. They have taken also what are known as the Australian stump-jump ploughs, and have tested them. Specialists from America, representing the Verity Plough Company, which covers the business to a great extent in the United States, have been conducting these trials, and what is the result? They

are to-day shipping to America the best of our Australian ploughs, and for what purpose? Is it a question of philanthropy with them? Honorable members are aware that it is a question of money. It is not done with a view to bettering the position of the Australian farmer, but with a view to controlling the market here in their own interests. I am not prepared to say that, perhaps, for a few years, when their ploughs come back here, we may not get the benefit of some concessions in rates and prices, but I have sufficient experience to know that that will be eventually at the expense of the users of the ploughs. It has been so in other instances. Is it reasonable to assume that American companies, who have harvesters on the market here to-day, and have their agents touring Australia, are doing business at a loss in the interests of the Australian farmer? We know quite well that if it were possible for them to crush the Australian manufacturer out of the market we should experience no philanthropy at the hands of the American importer. It is to meet such conditions as I have described that Part III. of this Bill is absolutely necessary. We have seen what has been done in America, in Canada, and in New Zealand in dealing with this matter. The honorable member for Franklin stated that only the people of Victoria desired the passing of laws against dumping.

Mr. McWILLIAMS.—I asked the honorable member whether he had heard these complaints in any other State than Victoria.

Mr. KENNEDY.—And I replied that I had. It is well known that the sister Colony of New Zealand has made an attempt to deal with this matter by legislative enactment.

Mr. KELLY.—Would the honorable member favour a like attempt here—referring these matters, not to a board of rivals, but to a board representing everybody in the community?

Mr. KENNEDY.—That is not the point in the discussion at the present time.

Mr. KELLY.—It is a very important point.

Mr. KENNEDY.—It is but a matter of detail. It is with the necessity for legislation to prevent dumping that I am attempting to deal at the present time. If we affirm the principle of the measure, the manner in which it is to be given effect is a matter of detail. In New Zealand, effect has been given to the principle, though not exactly on the lines of this Bill. The New

Zealand measure may be said to be of a tentative character, as it has been the policy of New Zealand to feel her way in all legislation. Ardent advocate as I am of this class of legislation, I do not anticipate that the first effort of this Legislature to deal with the question will be entirely effective, because I know that the skill and ingenuity of those engaged in trade will be directed to its circumvention. That has been proved in America and in Canada, and it will be proved here. It is only by making a first step that we can find out what our powers are, and how best to deal with such matters. There is a consensus of agreement as to the necessity of giving effect to the principle embodied in Part II. of this Bill. I have said that in the State Parliament of Victoria the necessity for anti-dumping legislation was seriously considered ten years ago. The honorable member for Melbourne may recollect that the right honorable member for Balaclava at one time made it a plank in his fighting platform. Though we may differ on matters of detail, I trust that the best efforts of honorable members in every part of the House will be directed towards making this measure as effective as possible.

Mr. FOWLER.—Does not the honorable member think that dumping should be proved to Parliament, and not to a board or to the Comptroller-General of Customs?

Mr. KENNEDY.—Parliament is a very cumbersome machine to deal with matters of that sort.

Mr. FRAZER.—It is difficult to prove anything here.

Mr. KENNEDY.—It is. We know by experience that whenever any attempt is made to deal with a matter involving imports and exports, the question of fiscalism arises. It is like a red rag to a bull. I feel that I can deal with this measure without considering the fiscal question, because I have in mind industries being carried on here under practically free-trade conditions, which may be utterly destroyed if dumping operations are largely carried on.

Mr. FOWLER.—It is a pity the honorable member did not send some witnesses along to the Tariff Commission to give them the information in his possession.

Mr. KENNEDY.—If the honorable member for Perth will allow me to express an opinion, it is that the Tariff Commission has a large order to fill, and, though it has been sitting a considerable time, its

life is, so to speak, young yet. If it completes its labours during the life of this Parliament it will do very well. If this proposal of the present Government is not carried before the labours on which the Tariff Commission is now engaged are at an end, it might be possible to refer the measure to that Commission, and thus give it another lease of life.

Mr. FOWLER.—No men in Australia have worked harder than have the members of the Tariff Commission.

Mr. KENNEDY.—I admit that the task set them is a very hard one.

Mr. FOWLER.—The least that they could expect is that that should be recognised by members of this House.

Mr. KENNEDY.—I fully appreciate the arduous nature of the task set the members of the Commission, the difficulties under which they labour, and I realize that if they complete their labours during the life of the present Parliament, even without completing their reports, they will have done fairly well. I am aware that some delay occurred at the outset, and that the Commission was constituted for some time before it commenced to take evidence. I hope that, irrespective of where they may sit in this House, and of the fiscal views they may hold, honorable members will devote their best efforts to perfecting this legislation. I recognise that it is experimental, and that it may be dubbed socialistic, but I believe it to be a measure of that directed to the preservation of the best interests of the community, as against the financial result which may accrue to any particular corporation or individual. The interests of the whole people, the producers, workers, and consumers, as they are designated in this Bill, should be the first consideration of the people of Australia. I venture to believe that the Minister of Trade and Customs, should this Bill be passed, would not venture to do anything, for which he would have to answer eventually to this House, without being absolutely sure that it would be in the best interests of the people of Australia. I have, therefore, no hesitation in saying that I shall support the Bill, and, if it be possible, in Committee to secure a judicial tribunal, instead of the Board provided for in Part III. of the Bill, an amendment with that object in view will have my support.

Mr. KNOX (Kooyong) [3.27].—The title of this Bill is "A Bill for an Act for the

preservation of Australian Industries, and for the Repression of Destructive Monopolies." I decline to admit that my honorable friends opposite have any greater desire than I personally claim for the preservation of Australian industries, or any greater desire that monopolies, which are against the public interest, and which are destructive monopolies, should be put down. However, when we come to read the provisions of the Bill, we find that Part II. fairly sets out, without any use of the word "destructive," that the measure is one for the repression of monopolies; and in other parts of the Bill there are clauses which are inconsistent with the description supplied in the title. I quite recognise that this is a measure which must be carefully considered in Committee. The objections to it have been well pointed out by honorable members who spoke yesterday afternoon. I should like to protest against a procedure which characterized the close of last session, and which has here again been adopted, of throwing upon the table, without proper, systematic consideration, an important measure, in the hope that the House, sitting as a Committee, may thresh it into some practical shape. In the interests of the consumer, producer, and manufacturer, who will be affected by a Bill of this importance, I think that the measure should have received greater consideration at the hands of an expert committee, who might have been called in to advise the Minister. The duty will be forced upon honorable members on this side of going through the Bill line by line in Committee, to make it a workable and practicable measure. I resent this, because I consider that such a responsibility is one which the Minister should not have imposed upon the House. I suppose there are few honorable members who do not desire to see Australian industries progress, and who do not desire also to see that monopolies injuriously affecting our workers and manufacturers should be put down with a firm hand. I believe that the Attorney-General had at one time a notice of motion on the business-paper for the appointment of a Committee of Trade and Finance, and such a committee might very well have dealt with a question of this kind. It is impossible, in a House constituted as this is, to seriously consider and deal with the details of this Bill without fuller information, however great our desire may be to make it an effective and workable measure;

and in support of that statement I instance the history of the Commerce Act. I am sure that the Minister has found out in connexion with the framing of regulations under that Act that many of its provisions are utterly unworkable. Why should the commercial community be thrown into confusion, and why should anxiety be created, by the placing before us of an immature and ill-considered measure in regard to which the Minister has not received the advice which he should have sought from capable and expert men, whose life-long experience would have been so serviceable to him? We should not be played with by the introduction of a Bill of this kind. In my opinion, it has been introduced, not for the purposes indicated in its preamble, but merely so that the Government may have a placard with which to go to the country. The Minister should have endeavoured to put before us a workable measure. Practical men, both in the House and outside, have shown that they are favorable to the principles underlying legislation of this character; but they cannot support so ill-considered a measure as that which we have now before us. Why should the whole community be disturbed by attempts at class legislation?

Sir WILLIAM LYNE.—What is there in the Bill to which the honorable member takes objection?

Mr. KELLY.—The enormous powers which are proposed to be given to the Minister.

Mr. KNOX.—I am desirous of giving legitimate support to the manufacturers of Australia.

Mr. CAMERON.—The Tariff already gives them all necessary support.

Mr. KNOX.—I shall support, as I have always supported, legislation which I think likely to be of benefit to the whole community, without respect to any one particular class; but, notwithstanding what the honorable member for Moira has said, the consideration of this Bill cannot be dissociated from the consideration of the fiscal issue, and the measure, if passed, will give the Minister greater powers of interference in commercial matters than he already possesses.

Sir WILLIAM LYNE.—The powers to which the honorable member refers are proposed to be given to a Board or Judge.

Mr. KELLY.—To a Board whose members may be trade rivals of the parties affected by its decision.

Mr. KNOX.—My first objection to the measure is that it has been introduced as a placard for the Government to take to the country, to show their interest in labour and their readiness to support protection amounting even to prohibition.

Mr. FOWLER. — The labour aspect is a mere sham, and has been dragged in on that account.

Mr. KNOX. — I appeal to honorable members and to the Minister if the dominating features of the measure which has been thrown down here for us to wrangle about are not those to which I have just alluded?

Mr. FOWLER.—No employes in Australia are more sweated than those working for a firm which the Bill proposes to protect.

Sir WILLIAM LYNE. — The honorable member is now interjecting as a free-trader before everything else.

Mr. FOWLER. — Will the Minister wait until the evidence is before the House?

Mr. KNOX.—I am glad of the honorable member's interjections in support of my contention, because they come from one of the ablest and most critical men in the House, who has the respect of every section of its members. I do not mean to imply by what I have said that I consider that the Minister is wittingly acting unrighteously in this matter; but, in my opinion, the longer the discussion lasts the better it will suit the honorable gentleman, because it will direct more attention to the prominent fact to which I have alluded, that the object of the Bill is to show the country that the Government are ready to do anything in the labour interest, and are willing to support protection even to the extent of prohibition. I admit that in his office the Minister is not an unreasonable man, and I ask, therefore, why he should be so unreasonable in regard to proposed legislation. What has taken place in connexion with the framing of the regulations under the Commerce Act will be repeated in connexion with the administration of this measure. The Minister will, after it is passed, have to seek and accept advice from those from whom he should have sought it before introducing the measure. Many of the public bodies from whom that advice will have to be obtained have declared that some legislation of this kind is necessary, but they will not support a drastic measure such as this. The result of the measure, if it comes into operation, will be that prices will be forced up, and that cannot be in the interests of labour. The whole tendency

of the commercial legislation which has been submitted to us has been in the direction of building round Australia a great wall to keep out importations; but the chief result of such legislation must be to force up prices. We have heard a good deal about the harvester trust, and I do not propose to deal with that complicated question at the present time; but the workers will find that they have made a serious mistake if they insist that the people of the Commonwealth shall forego the advantages which would arise from the legitimate rivalry and competition of the world's merchants. Then, again, the provisions of the Bill are too wholesale in their character. A measure dealing with specific cases of injustice and unfair competition would have had the support of members of all parties. In Committee we must endeavour to substitute for the jury provided for in the Bill a Judge, assisted by competent assessors; and we should do what we can to lessen the effect of departmental influence and bias, though in saying that I cast no reflection on our honorable Public Service. In view of the great temptations that would be offered owing to the very extensive powers proposed to be granted under the Bill, provision should be made for a final reference of all questions to some high and independent tribunal. It seems to me that we should have waited until the report of the Tariff Commission was presented. The Bill which was introduced last session, and which was read a second time without much opposition, was allowed to reach that stage because many honorable members were in favour of its general principles, and were under the belief that we should be in possession of the report of the Tariff Commission before the matter was finally dealt with. I desire that the representations of the Tariff Commission should receive favorable and serious consideration. The action of the Government in introducing this measure has already greatly disturbed the mercantile community, and people are beginning to wonder why the Government should bring forward uncalled-for legislation of this kind. I am authorized to say, on behalf of the Melbourne Chamber of Commerce, that they do not in the slightest degree approve of tyrannical trusts and combines such as exist in the United States. I cannot conceive of any man standing here and daring to say that he would oppose legislation that would prevent the growth of such monstrous conditions. The fear enter-

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tained in regard to this Bill, however, is that the exclusion of foreign goods will lead to the creation of dangerous monopolies within the Commonwealth. It is true that under the Bill power is proposed to be taken to deal with internal monopolies, but unless the States authorities fall into line we may be powerless to restrain large trading combinations which may be brought into existence as the result of the exclusion of foreign goods. I am fully acquainted with the early history of the harvester industry. The action of Canadian manufacturers in pirating the Australian invention is to be resented to the fullest extent, and I have always been an advocate of retaliation so far as that matter is concerned. I knew the man who invented the harvester which has proved of such advantage to our farmers, and who, unfortunately, did not derive the full fruits of his labours. Honorable members must all agree that we should look after our own people in every legitimate way.

Mr. WATSON.—That is a good protectionist idea.

Mr. KNOX.—Probably it is. We hang up the banner of protection on one side and the free-trade banner on the other, but, after all, upon some occasions, we find ourselves separated by a very fine line of demarcation. I strongly disapprove of the provisions of the Bill under which, it appears to me, any introduction of foreign goods might be regarded as constituting unfair competition. It is quite conceivable that a small Australian manufacturer, who produced inferior goods at a high price, might, by his representations, secure the exclusion of first-rate low-priced goods, to the great detriment of the consumers of Australia.

Mr. HENRY WILLIS.—Hear, hear; that is the object of the Bill.

Mr. KNOX.—I can scarcely credit that. I decline to believe that any practical men would knowingly introduce legislation that would have any such effect. Still, under the measure as it now stands, there is a danger such as I have indicated. The measure would preclude any persons from entering into an alliance or a combination for their own self-preservation. It would prevent, say, the shareholders in one or more companies from combining to protect their own interests.

Mr. KENNEDY.—Not unless it were shown that the combination was detrimental to the public.

Mr. KNOX.—But who is going to be the judge as to what is detrimental or otherwise?

Mr. PAGE.—Surely the honorable member agrees that detrimental combinations should be prevented?

Mr. KNOX.—Certainly. But combinations whose operations do not exceed legitimate bounds are sometimes necessary for the protection of those engaged in trade.

Sir WILLIAM LYNE.—Is a shipping combination necessary?

Mr. KNOX.—I have no brief from the shipping combination. It has many faults, but it has the great advantage of maintaining uniformity in regard to freight charges and conditions, and it affords first class facilities for the carriage of passengers and cargo.

Sir WILLIAM LYNE.—And it destroys any one who will not join the ring.

Mr. WATSON.—It also charges exorbitant freights.

Mr. KNOX.—I am not an advocate of the shipping ring. Do I understand that, apart from the harvester combination, the first object of the Bill is to enable the Minister to deal with the shipping ring?

Sir WILLIAM LYNE.—I do not say that it is the first object, but it is one of them.

Mr. KNOX.—The Minister has made a candid admission that he will immediately attack the shipping ring.

Sir WILLIAM LYNE.—I did not say that.

Mr. KNOX.—If the Minister finds that the shipping ring is operating detrimentally to the people of Australia, I hope that he will succeed in his efforts against it. He should, however, take care to obtain the fullest and most reliable evidence. If he depends entirely upon the evidence of some officer, who however competent he may be in his own Department, may arrive at an unwarrantable conclusion, and proceeds to disorganize a great undertaking involving interests valued at hundreds of thousands of pounds, he will do grave injustice.

Sir WILLIAM LYNE.—The honorable member always speaks upon the one side—the conservative, and the ring side.

Mr. KNOX.—If the Minister chooses to call me a Conservative, he is perfectly welcome to do so.

Sir WILLIAM LYNE.—I think that the honorable member is an absolute Conservative.

Mr. KNOX.—The Minister may apply to me any name he likes. He must at

least grant that I am absolutely consistent in all I do.

Sir WILLIAM LYNE.—The honorable member is always consistent.

Mr. KNOX.—Yes, and I wish to place upon our statute-books practical legislation which will be for the general good, and not for the benefit of any particular party.

Sir WILLIAM LYNE.—The honorable member's arguments would support the meat scandals in Chicago.

Mr. KNOX.—The honorable member has no justification for making any such statement, and I must ask him to withdraw what I regard as a very offensive remark.

Sir WILLIAM LYNE.—I do not know what to withdraw.

Mr. SPEAKER.—Personally I can see nothing objectionable in the remark, but if it is offensive to the honorable member I will ask the Minister to withdraw it.

Sir WILLIAM LYNE.—I withdraw.

Mr. KNOX.—The Minister has no right to make an ungenerous statement such as has fallen from him. I am sure that every honorable member holds the opinion that the Chicago meat scandals should be sifted to the bottom, and that every one associated with them should be adequately punished. I am in receipt of telegrams from the Sydney, Brisbane, and Adelaide Chambers of Commerce. The Sydney Chamber of Commerce regards the Bill as having been very hastily framed, and expresses the opinion that it will hamper business in directions not contemplated by the Minister. The Brisbane Chamber, whilst being in favour of the suppression of harmful trusts, is strongly opposed to some of the provisions of the Bill, which are supposed to be designed to preserve Australian industries, and emphatically protests against the measure coming into law. It considers that the Bill would give rise to internal monopolies, which would be against the public interests, and that its administration would cause endless trouble and disastrous litigation. These opinions are expressed, not by inexperienced persons, but by business men of wide knowledge, who have been deliberating upon the Bill ever since it has been in their hands. I do not say that they have taken an altogether unselfish view. They have their own interests to consider. I claim, however, that they possess the knowledge necessary to enable them to intelligently discuss the whole question.

Mr. POYNTON.—Does the honorable member intend to vote for the Bill in the face of that statement?

Mr. KNOX.—I stand here as the representative of my constituents, and I am here to do my duty, irrespective of any representations that may be made by persons outside of the House. I have received from Adelaide the following statement—

In the opinion of this Chamber the Bill is calculated to place serious difficulties and dangers in the way of import trade for the protection—apart from the effect of the Customs Tariff—of particular Colonial industries.

It was further resolved to point out that the Bill makes Australian traders the scapegoat of the world's present and future trusts, and that while legislation cannot destroy such trusts, Australian traders are charged with all risks of doing business with them.

Further, I am instructed to inform you that, in the opinion of this Chamber, the matter of trusts and legislation for their suppression should be thoroughly investigated and reported on by a committee of commercial experts before such provisions as are contained in the Anti-Trust Bill are passed.

Strangely enough, I received to-day a letter from the Chamber of Commerce of the State of New York. I hope that no members of the New York Chamber were associated with the scandalous work that was going on in Chicago. I notice that the vice-presidents of the chamber include Mr. Whitelaw Reid, Mr. Chauncey M. Depew, and many others whom I do not know. These are men of high moral standing in the United States of America. They say—

In reply to your favour of 15th December, asking information concerning the laws of the United States for the repression of commercial trusts, I would state that this subject has received a large amount of attention during the last fifteen or twenty years, and that in 1890, the Congress of the United States enacted what is known as the Sherman Anti-Trust Act, of which I enclose a copy.

This law, as you will see, is extremely drastic and sweeping in character, and if it had been enforced literally, would have seriously embarrassed the development of industry in the United States.

It is certain that the Sherman Act has not been effective in coping with the existing condition of affairs. I have been asked by some honorable members to state my objections to the Bill. Under it, if two persons agree not to sell their goods at less than a certain price their action constitutes a restraint of trade. That being so, the Bill should also apply to individuals who agree not to sell their commodity—that is, their labour—below a cer-

tain price. If they agree to accept less wages under any circumstances or conditions, surely the provisions relating to restraint of trade should apply to them?

Mr. WEBSTER.—Get on to the "poor labourer."

Mr. KNOX.—I am just as anxious as is the honorable member to see fair conditions apply to the labourer.

Mr. PAGE.—The honorable member paid good wages upon some of his claims.

Mr. KNOX.—I am glad that the honorable member for Maranoa agrees with me. I am sincerely desirous that the worker shall obtain the full reward for his labour, but I do not wish to see legislation introduced which will eventually inflict injury upon him. Human nature will remain the same until the end of the chapter, and legislation will not alter it.

Mr. PAGE.—If legislation has no effect, why put the burglar in gaol?

Mr. KNOX.—Under clause 6 the determination of what constitutes unfair competition is left to a jury. What can an ordinary jury know of such an intricate subject, and one familiarity with which would demand a lifetime of study? Although I am interested in quite a number of industries, I would not for a moment regard myself as qualified to express an opinion upon such a matter. Again, competition is to be considered unfair as a matter of law if it would "probably result" in the lowering of wages. Consequently, a manufacturer has only to say that he must reduce the wages of his employés, and the competition of the foreigner will at once be deemed unfair, and the importer of his goods will be rendered liable to a penalty. We have already declared in our Immigration Restriction Act that we are not going to allow outside labour to come into competition with Australian labour. We have laid down that principle. I quite admit that it is just as desirable that that principle should be applied to the results of labour as to the labourer himself. I would further point out that—

If any article is produced by a new or improved method, necessitating the alteration or abandonment of the existing system of production in Australia, that competition thereby becomes unfair.

Take the case of bootmaking machinery as an example. The magnificent appliances which enable the worker to obtain boots and shoes for himself and his family at low prices is at the present time in the

hands of a trust. If improved machinery were to be imported, which would affect the position of the labourer in Australia, cannot the honorable member for Moira see that its introduction would be opposed to the spirit of this measure?

Mr. KENNEDY.—This Bill will not prevent the introduction of a single piece of machinery.

Mr. KNOX.—I hope that it will not. In its present form, however, it undoubtedly will.

Sir WILLIAM LYNE.—No.

Mr. KNOX.—Before it passes this House I trust that honorable members will see that it will do nothing of the kind. My complaint is that the Bill has been put upon the table in an incomplete form, and that we are asked to agree to its crude provisions.

Mr. KENNEDY.—That statement might pass unchallenged down the street, but it will not do here.

Mr. KNOX.—I am stating sound, solid facts. In regard to monopolies, I would point out that any man who patents an article creates a monopoly, so far as its supply and price are concerned.

Mr. MALONEY.—The capitalist wipes out the inventor.

Mr. KNOX.—No, there are many inventors who would have been in a better position to-day if they had had the assistance of capitalists.

Mr. PAGE.—Will the honorable member point out the crude clauses in the Bill?

Mr. KNOX.—I am dealing with some of them. The honorable member's capacity for following is often rather obtuse, but I know that he has not been listening to the debate.

Mr. KENNEDY.—The honorable member is dealing with something which is not in the Bill.

Mr. KNOX.—Under clause 9—

Any lawyer or financial agent who drew up an agreement, or financed an arrangement between the parties which a jury might hold to be a restraint of trade, or to introduce unfair competition, or to secure a monopoly, would be guilty of an indictable offence. Even active co-operation is not necessary.

Mr. PAGE.—That is not in the Bill.

Mr. KNOX.—I am merely explaining my objections to the measure—

Paragraph *b* carries this still further, and under it—

Mr. PAGE.—I rise to a point of order. I desire to know if the honorable member is in order in reading his speech?

Mr. SPEAKER.—If the honorable member for Kooyong were reading his speech, he would not be in order, but he is merely reading a certain statement which he has prepared, and which he is quite as much at liberty to read as any honorable member is to read any quotation that he may make.

Mr. PAGE.—On a point of order, sir, do you rule that any honorable member can prepare a statement and read it as portion of a speech?

Mr. SPEAKER.—It depends altogether upon the proportion which the statement bears to the whole speech. If the honorable member for Kooyong proposed to read a statement which constituted his speech, he would not be in order, but if he carefully prepares a statement summarizing certain objections in order that he may present them very clearly to the House, and thus occupy less time than he otherwise would do, that statement being but a very small proportion of the whole speech, he will be in order.

Mr. PAGE.—That is news to me.

Mr. SPEAKER.—I should like to say that this liberty has been constantly allowed to Ministers and to honorable members, but out of it has sprung a practice which is entirely out of order—I refer to the partial reading of a statement by an honorable member, who then hands it to *Hansard*, the result being that the whole of it, including the portion which he has not read, appears as part of his speech. That practice is out of order, but the reading of a short statement, such as the honorable member for Kooyong has prepared, is perfectly in order.

Mr. PAGE.—This information is entirely new to me. I had no idea that we were at liberty to do anything more than prepare notes. If an honorable member may read a statement, it will make all the difference in the world. I shall take notice of your ruling, sir, in future.

Mr. KNOX.—The honorable member for Maranoa is not correct when he implies that I have read my speech. The fact is that, after consultation with certain business men, I have tabulated some objections to this Bill which I desire to read. I have not read them literally, because with some of the conclusions arrived at by the gentlemen in question I do not agree. The interjection of the honorable member was unworthy of him, because I have only read certain clauses. I shall continue reading now,

and I shall tell the House when I am reading and when I am not.

Mr. KENNEDY.—That is the only opportunity we have of knowing.

Mr. KNOX.—Continuing my reading, I hold the opinion—

That no new or imported article could be imported if it would supersede any articles produced in Australia, or even their sale, with the consequent result of less employment at lower rates in this particular trade.

I have dealt with a number of matters with a view to supplementing the observations of the honorable member for North Sydney. He analyzed the Bill in such a way that, to my mind, it is quite unnecessary for any honorable member to debate it exhaustively. But the Labour Party, in whose interests the measure has been introduced, are content to sit silently by, and thus we have no opportunity of getting a proper and open discussion of its merits. I have framed a number of suggestions, and I have circulated an amendment which I shall ask the House to consider at a later stage. The Attorney-General has admitted that the Tariff was intended to meet ordinary conditions, and that this Bill was designed to meet extraordinary conditions. I quite recognise that the honorable and learned gentleman, in saying that, was defining the exact position, but if it is intended to deal with extraordinary conditions, and if any attempt to alter the Tariff must receive the approval of this House surely, after the admission of the Ministry through the Attorney-General, we have a right to ask that before the goods of any alleged monopoly corporation are prevented from coming into this country the matter shall be dealt with by resolution of this House?

Mr. WEBSTER. — Is the honorable member serious in making that suggestion?

Mr. KNOX.—I am serious, and later on I shall give more fully the reasons why I think it is desirable that that should be done.

Mr. WEBSTER.—We should have to sit all the year round.

Mr. KNOX.—I repeat in conclusion what I started with, and that is an earnest protest against the manner in which these great commercial measures are thrown upon the table to be fought out, and against imposing upon honorable members the obligation to make them workable, and bring them into line with the conditions known to exist, so that they may not dislocate the whole of

the trade of the community. I am sorry that the honorable member for Maranoa and I should have come into conflict, but the honorable member is aware that there is no personal animus between us. I am not prepared to vote against the second reading of this Bill, believing, as I do, in the principles which underlie it; but I have given some reasons, and I shall give more in Committee, why many alterations require to be made in it. I again deplore the fact that, instead of securing the advice and assistance of competent persons before introducing such a Bill the Minister has thrown it upon the table, and left us to wrangle about it and put it into shape. Much irritation and confusion might be averted if, before submitting such measures the Government secured competent advice upon them, and were not so much disposed to submit them, as I venture to believe this Bill has been submitted, in order that it may be held up as a placard for the two purposes I have indicated.

Mr. WATSON (Bland) [4.19].—I spoke last session on a measure almost identical with this, and I do not therefore propose to detain the House at so great a length as I should probably do if this were the first proposal of the kind submitted to Parliament. It seems to me that there are a few aspects of the general question involved which may be pertinently referred to at the present moment. Perhaps one of the most interesting features of the debate that has gone on for the last two days has been the attitude assumed towards this measure by our honorable friends, who have dubbed themselves the "Anti-Socialist Party." They have continually asseverated, until, I suppose, they have at least succeeded in convincing themselves of the truth of the assertion, that this is not a socialistic measure, and that it is quite reasonable for the anti-Socialist to support a measure of this description. To my mind that attitude predicates either that the honorable gentlemen who make up the "Anti-Socialist Party" have not studied the economic difference between the position of the individualist, and that of the collectivist, or that they are dubbing themselves by a name to which they are not entitled. What becomes of all the eulogies of private enterprise indulged in by the right honorable gentleman who leads the Opposition during the past few months? Everywhere throughout Australia that right honorable gentleman has been telling the

people that to impede the development of the individual, to put shackles upon the people's enterprise, is to work dire injury and disaster to the State as a whole. He has told us that our position in the world to-day, the present condition of civilized man, and his advance from savagery, is due to private enterprise working through competition, the friction of mind against mind. That is the right honorable gentleman's explanation of the condition of things we witness to-day, as compared with the state of things existing a few hundred or a thousand years ago. All through, the right honorable gentleman and those supporting him have been eulogizing the free play of private enterprise and competitive institutions. That is the correct attitude undoubtedly for a convinced individualist to assume. But to-day we find that honorable gentlemen opposite have gone back upon that position, and now admit that this much-lauded private enterprise is capable of producing such evils as constrain even them, reluctant as they are to interfere with anything of the sort, to attempt to put some regulatory law into force, so that the interests of the community may be conserved. I say that that is an abandonment of, at any rate, the theoretical position which those honorable gentlemen are supposed to occupy.

Mr. SKENE. — There is a use and an abuse in everything.

Mr. WATSON.—If the honorable member admits that it is a proper thing in some circumstances to use the power of the State to restrain the unscrupulous private enterpriser, then he has no right to call himself an "anti-Socialist." He may pose, properly enough, as a man who holds that the Labour Party, or any other party in the State proposes to go too far in the direction of Socialism, proposes too rapid progression in that direction, but he cannot logically and legitimately claim to be an "anti-Socialist."

Mr. SKENE.—That is cheese-paring.

Mr. WATSON.—In fact, so many of our honorable friends opposite are gradually slipping away from political virtue, and so steadily falling from grace, that directly we shall probably discover that the only anti-Socialists left amongst us are the honorable and learned member for Parkes, and perhaps the honorable member for Wilmot.

Mr. SKENE.—According to the Attorney-General, there has been none since Adam.

Mr. WATSON. — I am rather of the opinion that the Attorney-General was quite correct in saying that there have been very few individualists, strictly speaking, in the history of the world. For the sake of humanity, I am glad to be able to say that there were a vast number of the people who have taken a leading part in the direction of the world's affairs who have been to a greater or less degree Socialists, in that they have believed in using all the machinery of government, and all the resources of civilization, for the protection of the weak against the strong. After all, that is what Socialism resolves itself into, it seems to me. However, I do not intend to debate that any further than to say that it does seem to me a highly illogical attitude for honorable members opposite to assume in consenting to support the passage of any measure of this description, no matter how they qualify their support.

Mr. CAMERON. — It is simply because they know they are in a minority.

Mr. WATSON.—Is that all? This is quite a new reason for the failure to object, and one that I should have expected least of all from the honorable member for Wilmot.

Mr. CAMERON.—The honorable member does not yet know whether I shall divide the House on this question. I am not speaking for myself.

Mr. WATSON.—If the honorable member does so, I shall give him every credit for sincerity, but if he is speaking for other honorable members opposite, and is entitled to speak for them, his statement sheds a new light upon the attitude they assume.

Mr. CAMERON.—I am expressing only my own opinion.

Mr. WATSON.—I shall not pursue that phase of the question any further. It has been argued in connexion with this measure that there are to-day no trusts in Australia. The right honorable gentleman who leads the Opposition only recently said that there were no trusts in Australia, or, if there were any, that they were so insignificant as to be utterly unworthy of serious attention at the present moment. I do not wish to pursue at any length even that aspect of the question, because during last session I instanced the shipping combine, which, in my opinion, is playing a part more disastrous alike to producers and consumers in Australia to-day than is any other single

agency. I instanced again the tobacco trust, the existence of which is beyond question. How far they have gone in utilizing the power which is in their hands to-day is, I admit, a question on which there is room for a difference of opinion, but as to their possession of practically uncontrolled power there can be no doubt whatever. Then, again, there is the Colonial Sugar Refining Company, which, though not a trust in the correct acceptation of the term, constitutes a monopoly that, in my view, notwithstanding all that was said in the company's favour by the honorable member for North Sydney yesterday, is to-day a distinct menace and danger to the people of this Commonwealth. If this company has not a monopoly in Australia to-day, the position it occupies approaches so closely to complete control of the whole trade as to constitute a virtual monopoly. I contend now, as I did a few months ago from this position in the Chamber, that the Colonial Sugar Refining Company is charging a wholly unwarrantable sum to the people of Australia for converting raw sugar into refined sugar. I make that statement on the evidence of individuals who have made a close study of the question, and are well qualified to express an opinion.

Mr. DEAKIN.—Has the honorable member read Mr. Jodrell's evidence about the prices paid by the company for cane as compared with the prices paid by Government mills?

Mr. WATSON.—No, I have not; but I was going to say in that connexion that the remark of the honorable member for North Sydney, that the Colonial Sugar Refining Company practically gave the growers all the benefit received from the Tariff will, on examination, be found to be incorrect. I do not for a moment mean to say that an honorable member who is so careful in his statements as is the honorable member for North Sydney has put forward any statement concerning the accuracy of which he is not personally satisfied, but I think that his information is at fault, and that, if the matter is investigated, it will be found that the Colonial Sugar Refining Company has retained a considerable proportion of the profit given by the increased price of sugar, compared with the price which it pays for cane. This salient fact stands out, that the average price paid by the company for cane supplied to its mills is rather below that given by the State-conducted and co-operative central mills of Queensland.

Sir WILLIAM LYNE.—I am informed so, too.

Mr. WATSON. — There is no doubt about it.

Mr. DEAKIN.—The difference is about 8s. 6d. a ton.

Mr. WATSON.—I am informed that the highest difference is 8s. 6d. a ton, and that the average difference right through is very considerable. Thus one of the awful results of the pernicious system of Socialism in connexion with the cane industry is that the growers of Queensland receive higher returns from mills assisted, and in some instances controlled, by the State Government than they receive from the monopolistic private company which has been so highly extolled by my honorable friends on the Opposition benches.

Mr. BAMPFORD.—The farmers do not consider the company a benefactor to them.

Mr. WATSON. — No. If they ever held that opinion, I think that they are being rapidly cured of it. But it is not merely the farmers who are interested in this matter; the consumers of sugar throughout Australia have to suffer when this company asks more than a reasonable price for its services to the community in supplying it with sugar.

Mr. KELLY.—How is it that the Colonial Sugar Refining Company is able to buy cane, if the mills of the State Government are willing to purchase it at higher prices?

Mr. WATSON.—The cane can be sold only to mills situated within a certain distance of the fields where it is grown, and it does not pay to erect a mill within a certain distance of another mill.

Mr. KELLY.—Would it not pay the State Government to do so, if it is prepared to offer higher prices for cane than the company will give?

Mr. WATSON.—If the honorable member possessed business experience, he would know that, although the immediate effect of erecting a new mill might be to raise the price of cane, those responsible for its erection might get no advantage from the transaction.

Mr. CAMERON.—The Bill is intended to prevent that sort of thing.

Mr. WATSON.—I do not know that it can be prevented. I am speaking now only of evils which exist. Another factor which has a very considerable influence in the matter is that, in many cases, the Colonial Sugar Refining Company has made contracts for the purchase of cane which have

yet long terms to run, and, in some instances, has sold land subject to the condition that the cane grown on it must be delivered to its mills during a certain period at certain prices. The honorable member will see that those conditions would make successful competition impossible in many cases.

Mr. McCAY.—But the honorable member's illustration shows that there are advantages in competition.

Mr. WATSON.—Competition is, in many instances, an advantage, though not where it implies waste. I think that the public as a whole is more likely to benefit by competition than by monopoly, where industry is controlled by private enterprise, because monopoly confers power, and that power will be taken advantage of, and, if placed in the hands of irresponsible persons, the public are likely to suffer by its exercise. I differ from the honorable and learned member in thinking that monopolies should be under the control of those who are dependent upon them, either as consumers or producers.

Mr. McCAY.—I think that there should not be monopolies.

Mr. WATSON.—I do not know how the honorable and learned member would prevent them. Some of the members of the Opposition are strongly of opinion that some kinds of monopoly cannot be kept down, and the deputy leader of the Opposition stated yesterday that it is a natural law that large enterprises must continue to expand.

Mr. JOSEPH COOK.—I did not say anything about monopolies in that connexion.

Mr. WATSON.—Did not the honorable member say that the continued concentration of business is a natural law?

Mr. JOSEPH COOK.—Yes.

Mr. WATSON.—Concentration means a gathering into one control, and that necessarily brings about a monopoly.

Mr. JOSEPH COOK.—Not necessarily.

Mr. WATSON.—If one control is not a monopoly, I do not know what a monopoly is. A single control may not be harmful, but it is nevertheless a monopoly. I agree with the general idea lying behind the honorable member's remarks, though he spoke of a natural law, and I think it would take a very able man to discover what the natural laws of trade and commerce are. I would term what he refers to natural development.

Mr. FOWLER.—It is a mere commercial tendency.

Mr. WATSON.—A commercial tendency to go steadily in one direction.

Mr. JOSEPH COOK.—All over the world, and in relation to everything.

Mr. WATSON.—I differ from the honorable member only in regard to the calling of it a law.

Mr. JOSEPH COOK.—I did not call it a law.

Mr. WATSON.—I do not think that it could be stopped, even though it is merely a tendency, because it has proved more effective in returning profits to those engaged in commercial industry than any other method yet discovered. For that reason I think the general trend to which I am referring is inexorable, and cannot be stopped, as the honorable member for Parramatta said yesterday, by any puny efforts of a regulative character that we may put forth.

Mr. JOSEPH COOK.—I did not say that.

Mr. WATSON.—The honorable member said that it is not likely that our puny efforts will keep back a natural law, or, at all events, that was the tenor of his statement.

Mr. JOSEPH COOK.—That was a very general remark.

Mr. WATSON.—The honorable member's speech yesterday consisted chiefly of general remarks. However, I do not wish to bind him down to any set terms. I understood him to recognise that the tendency towards concentration and centralization of control, and the better organization of industry, is a natural development, which, in the very nature of things, must and will continue.

Mr. FISHER.—We do not object to it.

Mr. WATSON.—I, for one, do not object to it, because it tends towards economy of production by the elimination of waste and the saving of human energy. But, as it is found practicable to better organize industrial production, the community is very unwise which allows a few persons to reap all the benefits resulting from the accompanying economy. Can any one deny that the result of our coastal shipping combine has been a marvellous saving in the conduct of our shipping business, or that a still greater economy would be effected if there were only one management, because, notwithstanding the existence of a pool, the companies still have different managers,

and there is the unnecessary expense attaching to the duplication of staffs?

Mr. KELLY.—Does the honorable member suggest a nationalized shipping industry?

Mr. WATSON.—If the coastal shipping were owned and worked by one company, having one staff, larger economies would be effected than those already brought about by the existing combination. But has the public obtained any real benefit from this combination? On the contrary, the additional profit which has resulted has gone into the pockets of the shareholders of the shipping companies. Personally, I should be prepared to-morrow to vote for the nationalization of our coastal shipping industry, because in principle there is no difference between the conveyance of passengers and goods on land by means of railways and their conveyance on water by means of steam-ships. Although it is said that railways may constitute a monopoly, while the sea affords a pathway free for all to compete upon, we know that to-day there is no competition in Australian waters.

Sir JOHN FORREST.—There is some.

Mr. WATSON.—In the main lines of trade there is no competition amongst the coastal shipping.

Sir JOHN FORREST.—I think that there is.

Mr. WATSON.—The Treasurer ought to know that there is a combination amongst the big shipping companies.

Sir JOHN FORREST.—They are not all in it.

Mr. WATSON.—Practically all the freight and passenger steam-ship companies are in it.

Sir JOHN FORREST.—Then it has happened only very recently.

Mr. WATSON.—There are two companies outside the ring, one of which does not carry passengers, but looks after freight contracts only, and, while their competition has affected the combine slightly in regard to one or two little matters, roughly the whole of our coastal shipping business is under the control of the combine. By a system of rebates, of which the Treasurer probably knows something, the shipping companies bind their constituents to them so that they cannot escape, struggle in the net as they may.

Mr. CARPENTER.—And no State suffers more from these operations than does Western Australia.

Mr. WATSON.—The State represented by the Treasurer has suffered most from these operations; but they have also caused every producer in the eastern States to suffer. I do not wish to pursue this matter further, however. In my view, there is room for considerable effort on the part of the community to deal in some fashion with trusts. The leader of the Opposition and his deputy, anti-Socialists though they call themselves, admit the necessity for social action in regard to the regulation of monopolies. If it be expressed in the State or in the municipality, or in any other way, it is still social action by society to defend itself.

Mr. McCAY.—Social action is not Socialism.

Mr. WATSON.—No, but it is socialistic. Nothing is Socialism except it aims at a complete revolution of the existing industrial system; but I contend that it is socialistic to employ the resources and machinery of Government to protect from the rapacity of a few individuals those who are unable to protect themselves. That is definitely socialistic, and it argues a confusion of terms if any other name is applied to it.

Mr. JOSEPH COOK.—The end and aim and object of State action differentiate it.

Mr. WATSON.—In that case, all that is between us and honorable members opposite is a question of degree, and whatever other name honorable members may apply to themselves they have no right to the title of anti-Socialists. I stated in Sydney recently that the right honorable member for East Sydney was a bogus anti-Socialist, and I say to-day that all his followers are bogus anti-Socialists. They may think they are anti-Socialists, but they are not. The honorable and learned member for Parkes is the only "Real Mackay" amongst them. Honorable members opposite admit the necessity for regulating monopolies, but they are eloquently silent as to the method by which they should be regulated.

Mr. JOSEPH COOK.—Does the honorable member believe in regulation?

Mr. WATSON.—I shall deal with that point in a moment. Honorable members opposite have offered no suggestion as to the method that should be adopted with regard to regulation. The speech delivered yesterday by the honorable member for Parramatta, who presumably spoke on behalf of his party, consisted of a number

of generalities, and of criticisms of some of the proposals of the measure, but offered no alternative. Perhaps the honorable member will say that it is no part of his duty as acting leader of the Opposition to offer an alternative.

Mr. JOSEPH COOK.—It is strange for the honorable member to accuse me of using generalities.

Mr. WATSON.—On this occasion the honorable member departed from his usual practice. He, no doubt, found himself in an awkward position, and felt at a loss how to make it appear logical, even to himself. The honorable member asked me if I believed in regulation. As far as I am concerned—and I think I can speak for the Labour Party—I do not believe that regulation will cure the evil. We believe that nothing short of collective control, in some shape or other, will effectively dispose of the evils that result from monopolies, trusts, and combines. Where these large enterprises have already passed into the hands of a few individuals who can monopolize them to the detriment of the people, nothing short of collective control by some body representing the people will prove effective. When the honorable member for Parramatta suggests, as he did yesterday, that we should vote against any proposal for regulation—

Mr. JOSEPH COOK.—I said that from the point of view of the honorable member's party, they should do so.

Mr. WATSON.—The honorable member is kind enough to assume for us a point of view. I do not know that he is the best judge as to that.

Mr. JOSEPH COOK.—That is very good, coming from the honorable member, who has been assuming a point of view for us and criticising us.

Mr. WATSON.—I have been pointing out the illogical position occupied by honorable members, and have been asking them to justify it. We assume a perfectly logical attitude. We are prepared to take one step at a time. If this legislation should prove ineffective, we shall be ready to go further and ask the people to adopt such methods as will effectively deal with what is rapidly becoming a cancer in the body politic.

Mr. CAMERON.—Your party would be prepared to go "the whole hog." Why not say so?

Mr. WATSON.—We would not.

Mr. JOSEPH COOK.—From the point of view of the honorable member, would a soundly-regulated trust be in a stronger or weaker position than one which was intolerably tyrannical?

Mr. WATSON.—What point of view does the honorable member mean?

Mr. JOSEPH COOK.—From the socialistic stand-point—the point of view of one who believes in taking over monopolies.

Mr. WATSON.—If that question were addressed to a man who believed in nothing but Socialism as the immediate para-acea for all evils, it would be an appropriate one. I have never contended that we should be justified, under present conditions, in doing more than nationalizing monopolies, and provide for such extensions of governmental interference in that direction as are proved to be practicable step by step.

Mr. JOSEPH COOK.—My point is: Will an enterprise prove stronger or weaker if it be a regulated or an unregulated monopoly?

Mr. WATSON.—If the Bill proves effective it will minimize the necessity for taking over these monopolies. I have very considerable doubts as to whether it will prove effective.

Mr. JOSEPH COOK.—The honorable member and his party aim at the ultimate overthrow of private enterprise.

Mr. WATSON.—I do nothing of the kind. So far as the Labour Party of Australia are concerned, they are not committed to the overthrow of private enterprise as such. With regard to monopolies, however, they say that they will nationalize them as soon as an opportunity presents itself.

Mr. KELLY.—But Socialism is the objective of the party.

Mr. WATSON.—We are denounced by the Socialists in many parts of Australia as being bogus; in the same way that we say that honorable members opposite are bogus anti-Socialists. I do not suppose that we shall ever be able to satisfy all parties in that connexion.

Mr. JOSEPH COOK.—We go on a little, whereas members of the Labour Party stop at their immediate programme.

Mr. WATSON.—We can at least claim that our programme exists. That of the honorable member and his friends is so nebulous that it is impossible for the public to perceive it at present.

Mr. JOSEPH COOK.—The members of the Labour Party admit that their programme

is only a step in the direction of their objective.

Mr. WATSON.—We hope that the honorable member himself is only a step in the evolution of mankind. He is prepared to take no step at all, and I do not think that the country believes in marking time.

Mr. JOSEPH COOK.—What is in my mind all the time is the *sine qua non*.

Mr. WATSON. — That phrase sounds somewhat familiar. We are taking practical steps as opportunity offers. So far as combines are concerned, the Labour Party take up a very distinct attitude, and the passing of legislation of this character will not in the slightest degree infringe upon their position. It is distinctly a step of a socialistic character, and if, as we have reason to believe from the experience gained in the United States, it fails in its purpose, there will be the greater reason for taking the only other practicable step that we commend to the people in connexion with monopolies.

Mr. JOHNSON.—There is another more practicable step, namely, the adoption of free-trade.

Mr. WATSON.—Monopolies exist even in free-trade countries. I mentioned a number of cases of that kind when I spoke upon a similar measure last session. The honorable member for Lang is conveniently deaf and blind with regard to many things that emerge from free-trade conditions, but they exist all the same.

Mr. JOHNSON.—I have never heard of any monopolies.

Mr. WATSON.—That shows the truth of my remark with regard to the honorable member's condition. His ears have been carefully stopped against any complaint.

Mr. McCAY.—Turkey is a free-trade country, and is full of monopolies.

Mr. WATSON.—England is also a free-trade country, and is not free from monopolies. It is interesting to consider the position of affairs in the United States to-day. The Sherman Act has been in operation for the last sixteen years, and to-day trusts are as prevalent, combines are as numerous, and monopolies are as powerful as they were before that Act came into existence. Therefore, looking at this experience, I am not one of those who believe that this Bill is going to achieve all that its promoters hope for. I am willing, however, to give it a fair trial, and to assist in making it as effective as it can be made under the Constitution.

Mr. JOSEPH COOK.—At the same time, the honorable member does not believe that it will prove effective.

Mr. WATSON.—I do not believe that it will destroy the pernicious power that now lies in the hands of monopolies and trusts.

Mr. JOSEPH COOK.—Then are we not now wasting time?

Mr. WATSON.—I am prepared to allow the experiment to be tried. If the Labour Party were not willing to vote in favour of an experiment of this description, we should immediately have our so-called anti-Socialist friends stating that we were afraid to permit of regulations, because we knew that they would prove effective. I am willing to allow the leader of the Opposition and his party to propose all the regulative methods which they say they favour, so that the community may see that they are ineffective, and that something else will remain to be done before the disease can be cured.

Mr. JOHNSON.—We shall have no trade then.

Mr. BATCHELOR.—Not after honorable members opposite have regulated it. I believe that the honorable member is right.

Mr. WATSON.—What has been the experience in America? Mr. Garfield, the president of the Bureau of Corporations, Department of Commerce and Labour, Washington, who was appointed by President Roosevelt, after the consideration by Congress of the message to which the honorable member for Parramatta referred last night, writes—

Under the present industrial conditions secrecy and dishonesty in promotion, over-capitalization, unfair discrimination by means of transportation and other rebates, unfair and predatory competition, secrecy of corporate administration, and misleading or dishonest financial statements, are generally recognised as the principal evils.

In a book which was issued this year, Mr. Spelling, a lawyer, of New York, and the author of quite a number of legal works, makes the following remarks as being applicable to the present time:—

Not only the gas and oil one burns, but the milk and meat he buys, the flour he bakes, the hats, shoes, and clothing he wears, everything he touches, tastes, and handles, are controlled by trusts, aided by discriminating freight tariffs. . . . How long before merchants will be deprived of the privilege of handling trust-made goods on any terms? Probably the time is soon to come when the "Beef Trust" will establish its own commodious meat shop and fruit store in each city and town. The Standard Oil Company already has its own warehouse and delivery

waggons in some localities. The American Tobacco Company has already aggressively taken much of the retail trade away from its former patrons. How long before the other trusts will follow the example of these monopolies?

That is the condition of things existing in America to-day, according to two well-known and highly reputable authorities. Surely that fact does not argue that any very great result will flow from legislation of this character. The honorable member for Parramatta said yesterday that, in his opinion, a great deal—I am not sure whether he said the major part—of the wealth aggregation of the United States was due to the existence of patent monopolies.

Mr. JOSEPH COOK.—I said that I had seen it stated that it was so.

Mr. WATSON.—That seems to me to be opposed to all the experience of America as it is related by those who pose as publicists and as leading authorities. There the position is that, because of the uncontrolled efforts of private enterprise, practices have been rendered possible which would never be tolerated in communities such as ours. The control of different avenues of industry—irrespective altogether of fiscal conditions—has enabled a few people to build up gigantic monopolies, but these, so far as I can ascertain, are in the main quite free from patent monopolies as they are ordinarily understood.

Mr. JOSEPH COOK.—I think that all these trusts have a great many patents of one sort or another.

Mr. WATSON.—Take the great beef trust as an instance in point. It has not a patent in the purchasing of cattle or in the packing of meat—

Mr. JOSEPH COOK.—How does the honorable member know?

Mr. WATSON.—I have read a book upon the subject, which was written by Mr. Russell, and I base my statement also upon a conversation which I had with him in Sydney a few months ago. He informed me that the operations of the beef trust consisted merely in manipulating the market. Similarly, the operations of the oil trust have been assisted by its power to manipulate the railway rates. It has no patent rights, but it bought the legislators.

Mr. MCWILLIAMS. — Has not the dishonest politician in America done more to create trusts than has anything else?

Mr. WATSON.—I think it is just the other way about. The existence of people with large private interests at stake, and

of wealthy companies which desire to purchase concessions, was the direct cause of the corruption of the Legislature. The honorable member for Kooyong—although he said that he would vote for the second reading of the Bill — spoke against the general idea underlying legislation of this character, and quoted, in opposition to the Sherman Act, a statement by Mr. Chauncey Depew. That gentleman was eulogized by him as a representative American of high standing. Perhaps it is news for the honorable member to learn that, a little time ago, Mr. Chauncey Depew was compelled to return—"disgorge," some people would call it—some hundreds of thousands of dollars which he had improperly taken from the Equitable Life Insurance Company. Here is what one American paper—according to the *Cosmopolitan Magazine* of March last—wrote in regard to that gentleman:—

"Depew stands convicted of being a corrupter of the law makers of the commonwealth," and "had the audacity to cajole or bribe the chief magistrate of the State into indorsing one of the greatest frauds ever perpetrated."

As a result of the public inquiry which was held into the transactions of the Equitable Life Insurance Company, Mr. Depew was compelled to disgorge some hundreds of thousands of dollars which he had improperly appropriated, and I do not think that much reliance can be placed upon the denunciation of legislation of this character by such a man.

Mr. PAGE.—Who lauded him?

Mr. WATSON.—The honorable member for Kooyong.

Mr. KELLY.—He merely read his letter, but did not agree with its contents.

Mr. WATSON.—He read his letter evidently under a misapprehension. Clause 4 of the Bill seeks to repress injurious monopolies, and provides that—

Any person who wilfully, either as principal or agent, makes or enters into any contract, or is a member of or engages in any combination to do any act or thing, in relation to trade or commerce with other countries or among the States—

- (a) in restraint of trade or commerce to the detriment of the public; or
- (b) with the design of destroying or injuring by means of unfair competition any Australian industry, the preservation of which, in the opinion of the jury, is advantageous to the Commonwealth

is guilty of an indictable offence.

That clause is copied from the Sherman Act of 1890.

Mr. JOSEPH COOK.—Which the honorable member says has made things worse.

Mr. WATSON.—The honorable member is entitled to his own opinion. Personally, I say that, in attempting to deal with difficulties of this kind, it has marked a very interesting experiment indeed. But that particular clause, I maintain, has proved ineffective in stopping the formation of trade combinations and trusts in the United States. It has been ruled that, unless the agreement under which a combine is working is clear as to its intention, or gives some indication of its desire to monopolize the trade of the community in a certain direction, its creation is not illegal.

Mr. HIGGINS.—The difficulty lies in the proof.

Mr. WATSON.—As Spelling points out, if the beef trust were unwise enough to put their understanding in writing and to allow the officers of the Court access to it, the Court would be able to punish them under the Sherman Act. But when they are attacked in one form they immediately assume another; so that, though an injunction of the Supreme Court was out against the beef trust for two years, it was ineffective so far as exercising a restraining influence upon its operations were concerned. With regard to another clause in the measure which was not embodied in the Bill of last session, I think there is room also for a little criticism.

Mr. JOSEPH COOK.—I am wondering why the honorable member bothers about the details of the Bill, seeing that he declares that it will accomplish no good.

Mr. WATSON.—There are parts of it that I think will do good. I hold that those portions of the Bill which are aimed at internal combines and monopolies will not accomplish any good.

Mr. KELLY.—The honorable member thinks it is easier to hit the fellow who is outside the Commonwealth than it is to hit the man who is inside it.

Mr. WATSON. — There is no other method of hitting them than through the Tariff.

Mr. McWILLIAMS.—It is safer to hit the man who is outside the Commonwealth.

Mr. WATSON.—I am prepared to hit both the individuals outside the Commonwealth and those inside it who engage in these practices. Another of my objections relates to the definition of the word "monopoly." In the Sherman Act it has been found very difficult to secure any effective definition of the term, so far as repression

is concerned. Take the case of the Colonial Sugar Refining Company as an example. That company deals with about 80 per cent. of the sugar which passes into consumption into Australia. But it is not a monopoly in the complete sense of the word, although it is virtually one. Similarly, the shipping combine is not a monopoly, although it is so close to being one as to make very little difference, so far as the community generally is concerned. Then I would ask, "What will constitute an attempt to monopolize, and how can we prove such an attempt?" It seems to me that a company or an individual may attempt to monopolize without giving any evidence to the public which could be used against them in a Court of law. That being so, it would be very difficult indeed to make this portion of the Bill effective.

Mr. McCAY.—Its value lies in the fact that if a company started a business it could be got at before it had succeeded in its improper object.

Mr. WATSON.—I do not at all object to the use of the words, but I say that it will be in the highest degree difficult to secure a conviction.

Mr. McCAY.—That is always the difficulty.

Mr. WATSON.—Here is the opinion of Spelling. After quoting a great number of the decisions of the Supreme Court of the United States, he says—

It seems to be settled by these cases that the mere manufacture and sale of a commodity, upon however extensive a scale, and though the sales are largely for delivery to citizens of other States, and though one manufacturing and selling company have a virtual monopoly, yet that does not render it a violation of the provision directed at those who "monopolize or attempt to monopolize Inter-State commerce." It seems that to constitute a violation of the statute there must be a precedent agreement in restraint of Inter-State trade, and that no amount of actual monopolization, in the absence of such agreement, will constitute persons or corporations violators of the statute.

That seems to me to open up the question of how far we can amend these clauses so as to make them more effective than the Sherman Act, from which they have been copied almost literally, has proved to be. There is great necessity if the law is to have a fair chance to avoid the pitfalls which the Sherman Act has disclosed in the course of sixteen years' working.

Mr. DEAKIN.—What is the particular weakness to which the honorable gentleman refers?

Mr. WATSON.—I refer to the difficulty of proving that any person or corporation wilfully monopolizes or intends to monopolize.

Mr. McCAY.—The Sherman Act practically broke up the then favorite form of monopolies.

Mr. WATSON.—Just so; but the point is that, while it broke them up in one form, they immediately assumed another, and successfully evaded the law. The Court decided in a case where the articles of agreement of a company gave some indication of a purpose to monopolize, that its operations were against the law, and then other companies, working just as much injury to the people, gave no such indication of their purpose, and thereby escaped scot-free. That is a condition of things which we should endeavour to meet in the framing of the provisions of this measure.

Mr. ISAACS.—I think that later cases have gone a little beyond that.

Mr. WATSON.—I have some quotations here, issued some months ago, by a very competent man, which cover cases of the character I have indicated of so recent a date as up to the end of last year. I shall have pleasure later in showing them to the Attorney-General. I have thought it right to call attention to the deficiencies in the Sherman Act, which are continued in this measure, but whether it is possible to remedy them I am exceedingly doubtful. I know of no measure we can draft which would be sufficiently comprehensive to get at a combine of the character of the beef trusts within our own borders. If such a measure can be suggested I shall be very glad to see the way to deal with such combines pointed out. There is another part of the measure—Part III., referring to dumping—which I can support, and from which I believe some good will result. I do not wish to go into the whole question of free trade and protection, but I will say that I was glad last night to hear the deputy leader of the Opposition admit that there can be dumping of a character which would be ruinous to the industries and welfare of the community. The honorable member did not say that dumping had arrived at that stage yet in Australia, but I understood him to admit that he could conceive of dumping of that character. That being so, I think it will be admitted that there is not the same degree of interference with

fiscal matters in this measure as some honorable members seemed at first to imagine. I do not assume that the honorable member for Parramatta would utter such sentiments if he thought they would injure his faith in free-trade, which I know has been very strong for a long time past. But even if the measure involved the whole fiscal issue, I should still say that we are justified in making some effort to save our industries from unfair competition from abroad.

Mr. JOSEPH COOK.—My point is that where competition ceases monopoly begins.

Mr. WATSON.—If there is the slightest evidence of a monopoly amongst our local manufacturers I shall be one of the first to take any step that will dispose of that monopoly in the interests of the people. I am as strongly opposed as any one can be to our local manufacturers taking advantage of the market to the detriment of the consumers; but I say that while we have some chance of dealing with the man or men who attempt to monopolize trade locally, I see no other way than that proposed in this Bill, or some proposal akin to it, by which we can deal with those who attempt unfair competition from outside our borders.

Mr. JOSEPH COOK.—Does the honorable member not think that it would have been a fair thing for the Government to wait until the Tariff Commission had reported?

Sir WILLIAM LYNE.—No, certainly not.

Mr. JOSEPH COOK.—I was not asking the Minister. The honorable gentleman, I know, wants a placard.

Mr. WATSON.—So far as the report of the Tariff Commission is concerned, at most it can only deal with one or two industries, and the principle will remain just the same, whether the Tariff Commission reports adversely, or not, with respect to the conditions in those industries. The question whether Mr. McKay, who makes harvesters, is being unfairly competed with is, to my mind, a small matter compared with the general principle involved in legislation of this character. I feel strongly that we should take steps to protect local industry against competition that is proved to be unfair. I am not one of those who say that our manufacturers should be encouraged by methods of this description to do without the latest machinery. But surely if it is shown to the satisfaction of a competent authority that unfair methods are being resorted to, with a view, not of se-

curing a share of the market, but of taking complete charge of it to the eventual detriment of the consumer, we are justified in taking drastic steps to prevent such a position of affairs being brought about.

Mr. JOSEPH COOK.—The figures supplied by the Minister show that that is not the case, so far.

Mr. WATSON.—In that event nothing can be proved before a competent authority, and the Bill will be inoperative. As to the constitution of the tribunal which is to decide the question of unfair competition, the Government have not, in my opinion, offered an adequate suggestion in this Bill. I was one of those who last session protested against the idea that a Minister should be allowed to appoint one, two, or three men to give a decision in matters of this sort.

Mr. DEAKIN.—We did endeavour to discover if the services of a Judge could be obtained, and the difficulty pointed out was that it would not be a judicial decision.

Mr. WATSON.—I want to say that it is for this Parliament to say what the duties of the Judges shall be.

Mr. DEAKIN.—But we must put them in such a form that their performance of their duties will involve the giving of a judicial decision.

Mr. WATSON.—We should put them in such a form as to prevent the Judges being placed in an undignified position.

Mr. DEAKIN.—Not an undignified position, but an extra-judicial position.

Mr. WATSON.—They are asked in the Arbitration Act to decide matters of an extra judicial character, beyond the mere interpretation of law and concerning matters of fact. There is no greater departure from established usage in asking a Justice of the High Court to decide matters arising under this measure than in asking him to adjudicate in matters arising under the Arbitration Act. There is the same weighing of evidence, and commercial considerations should enter into the decision of industrial arbitration matters as largely as into the decision of cases arising under this measure.

Sir WILLIAM LYNE.—I quite agree with the honorable gentleman that these matters should be dealt with by a Judge if that can possibly be arranged.

Mr. JOSEPH COOK.—Of course, the honorable gentleman agrees with the honorable member for Bland.

Sir WILLIAM LYNE.—That is agreeing with a better man than is the honorable member for Parramatta.

Mr. WATSON.—I understood members of the Government to say during the debate that a Justice of the High Court had been approached in this connexion.

Mr. DEAKIN.—Yes, last year.

Mr. WATSON.—And that the Government had received no encouragement.

Mr. DEAKIN.—It was pointed out that the first proposal, as we were able to draft it then, did not involve a judicial decision, and that in order that a Judge might be able to discharge the duties cast upon him it was necessary that the measure should take such a form, and we were not then able to discover such a form.

Mr. WATSON.—I do not care what form the proposal takes so long as some competent and responsible person is charged with the duty of deciding matters so important. Personally, I object strenuously to placing the whole prospects of the commercial community—because it might amount to that at one time or another—in the hands of individuals—appointed temporarily at the whim of a Minister, no matter how upright and honorable he might be—and who necessarily in the circumstances would not be possessed of that sense of responsibility which it seems to me is essential to the authority deciding matters of such great importance.

Mr. JOSEPH COOK.—Then the honorable member agrees with the Attorney-General who favoured the appointment of a Judge.

Mr. WATSON.—I stated last session that I thought that a Justice of the High Court should be appointed, and in reply to the suggestion that a Justice of the High Court would not be available, I said that I would prefer that Judges of the Supreme Court of the States should be asked to do the work rather than that it should be handed over to private individuals temporarily appointed.

Mr. BATCHELOR. The objection is to persons being temporarily appointed.

Mr. WATSON.—That is my objection. If we took men already in the Civil Service, or appointed men to permanent positions of this description, we should no doubt get men as reliable in every way as are the Justices of the High Court.

Mr. BATCHELOR.—And probably more competent for this purpose.

Mr. WATSON. But we do not anticipate that cases under this measure will be

of such frequency as to justify the making of new and permanent appointments for this purpose. There does not seem to be any justification for that.

Sir WILLIAM LYNE.—In addition, I intend to propose an amendment in reference to the jury matter.

Mr. WATSON.—I am quite agreeable to that. The Canadian method of dealing with trusts within the borders of the Dominion, as instanced by the right honorable member for Adelaide some considerable time ago, is to refer the question of Tariff to a Supreme Court Judge, and I think that the Minister acts on the report of that Judge as to whether the Tariff should or should not be lowered. At any rate, reliance is placed on a Judge in regard to a matter which is, to some extent, extra-judicial.

Sir WILLIAM LYNE.—Is that in connexion with the interpretation of the Tariff?

Mr. WATSON.—No; in regard to whether, in order to circumvent trust operations in a particular industry, the Tariff shall or shall not be lowered. Power is given to lower the Tariff under certain conditions.

Sir WILLIAM LYNE.—New Zealand has an arrangement something like that, which expires next October.

Mr. WATSON.—I do not remember the New Zealand provision, but there seems to be a necessity for some alteration of the Bill, and as the Government is prepared to make an alteration, I am satisfied.

Mr. BATCHELOR.—Has the Government dropped its proposal already?

Mr. WATSON.—I took the Minister to say that he is prepared to make an alteration in this respect.

Sir WILLIAM LYNE.—In regard to what matter?

Mr. WATSON.—The tribunal.

Sir WILLIAM LYNE.—Certainly. I say most distinctly that I prefer a Judge to a board, and I wish to alter the provision about the jury so as to make the jury a permanent one.

Mr. JOSEPH COOK.—The Minister is always willing to take a hint from the right quarter.

Mr. WATSON.—I do not think that I need detain the House with regard to the other portions of the Bill. I think that, like myself, most of the members of the party with which I am associated are willing to give legislation of this character a fair trial, and to assist the Government in

making it as effective as it can be made. Although I have no great hope that it will prove advantageous, it is only reasonable that a step which has been tried elsewhere for dealing with evils such as trusts and combines should be tried here, with a view to demonstrating its real character.

Mr. JOSEPH COOK.—Then the honorable member is only enacting a farce.

Mr. WATSON.—The honorable gentleman himself is always farcical.

Mr. McCAY (Corinella) [5.34]. — The honorable member who has just resumed his seat will not, I think, consider it an unfair summary of his speech to say that he is ready to support the measure as an experiment which he expects to fail.

Mr. WATSON.—Just so, though that does not apply to Part III.

Mr. McCAY.—The honorable member pointed out very fairly and clearly the object of the party with which he is associated. In its view, the only way to cure the evils attendant upon the aggregation of industry and its control by a few hands is to make those hands the hands of the State, that in that way alone is to be found a cure for what he describes as a cancer in the body politic. He thinks that when the organization of an industry has become so centralized as to give it the character of what we, in general language, term a monopoly, the State should intervene, and, to use his own words, exercise collective control. By collective control I took him to mean public ownership.

Mr. WATSON.—Yes; in some shape.

Mr. McCAY.—The profits of the industry would go into the coffers of the public, and would form part, either of the consolidated revenue fund, or of some special fund. I also understood the honorable gentleman to say that the tendency of modern industry—and he twitted the honorable member for Parramatta with having made a similar statement—is towards the aggregation and centralization of control, and that that tendency cannot be resisted, being to all intents and purposes a natural law, if we accept the ordinary definition of the term as a tendency which human effort cannot alter or prevent. By taking the honorable member's two assertions together, we arrive at the position that, when an industry is centralized in a comparatively few hands, and is capable of becoming a monopoly, it must be subjected to the collective ownership of the community, and, consequently, that all industrial enterprise of

any importance is tending to that end. He says, in other words, that all industry will sooner or later come under State control, though he would not at once bring that about—because, I presume, he knows that he cannot. I trust that this collective control or public ownership of industries which, he says, must come about sooner or later as the operation of the inevitable tendency to which he has referred, will come about later rather than sooner.

Mr. WATSON.—Our argument is that the only choice is between private and public ownership.

Mr. McCAY.—I am endeavouring to state fairly what I take to be the honorable member's position, and the unavoidable inference to be drawn from his remarks. The condition of things to which he looks forward is what I call Socialism.

Mr. WATSON.—It is certainly not anti-Socialism.

Mr. McCAY.—I ventured to interject that social action is not Socialism.

Mr. WATSON.—It is socialistic.

Mr. McCAY.—That word is, to my honorable friends in the Labour corner, as great a source of comfort as the blessed word Mesopotamia was to a certain old lady.

Mr. WATSON.—And as the word "anti-Socialism" is to honorable members in the Opposition corner.

Mr. McCAY.—I trust that the Minister will give as much consideration to the suggestions from this corner as he gives to those from the Labour corner. We, at all events, shall not ask him to tumble down to meet our desires, as he is tumbling down to meet the desires of the members of the Labour corner.

Mr. HIGGINS.—What harm is there in a name? Why does not the honorable and learned member suggest another?

Mr. McCAY.—I am stating what I take to be the position of the members of the Labour Party.

Mr. HIGGINS.—What is the honorable and learned member's position?

Mr. KELLY.—We should like to know what is the position of the honorable and learned member for Northern Melbourne.

Mr. McCAY.—I wish to be allowed to develop my argument, and ought not to be asked to rush to the end of my speech before I have uttered the beginning of it. The position of the honorable member for Bland—and he stated that he spoke for his party—is, in my opinion, socialistic, and that is why I think that the methods

proposed by the Bill are permissible and proper, while those proposed by him and his party are not proper. I do not agree with those who say that legislation to control or regulate industries is socialistic. My definition of a Socialist is one who believes in and advocates Socialism, and I define Socialism as collective ownership. No other test of Socialism is known to any writer of standing on the subject, and in support of that assertion I could quote the statements of socialistic leaders of thought, beginning with Lassalles, and coming right down, through Karl Marx and others, to the leader of the Labour Party, who, in a letter which he recently wrote to a correspondent, appearing in this month's *Australian Review of Reviews*, says that, to his mind, Socialism means anything intended to improve the social condition of the community. If that be so, all legislation is socialistic, because all legislation aims at improving the social condition of the community. He went on to say that Socialism has acquired a technical meaning, implying the collective ownership of land and capital. The *Brisbane Worker* was asked its definition of Socialism, and, in the article to which I am referring, says that it is satisfied with that of the Queensland Labour Party—the nationalization of the means of production, distribution, and exchange, to be attained by the extension of the industrial and economic functions of the State. The Labour Party of Australia has stated its objective to be the nationalization of monopolies, and the extension of the industrial and economic functions of the State, but while adopting the means which would be used by the Queensland Labour Party to attain Socialism, it leaves out the Socialist's definition of the objective. I venture to say that there is really very little difference between the objective of the Queensland Labour Party and that of the Australian Labour Party, though one statement may be plainer than the other.

Mr. BATCHELOR.—What about the South Australian platform?

Mr. McCAY.—I do not know what has been adopted by the Labour Party of South Australia. All these definitions, however, say that Socialism is one thing, the collective ownership of all means of production, distribution, and exchange—the collective ownership of all the sources of wealth. That is what we, who do not believe in Socialism, are fighting.

Sir WILLIAM LYNE.—The honorable and learned member is a Socialist, all the same.

Mr. McCAY.—I am quite aware that I might quote definitions to the Minister until the day of judgment. He would never listen to them, or try to understand them, nor would he be influenced in the least degree by even an avalanche of them. I might tell the Minister, who is now awake, that a Socialist is a man who believes in the collective ownership of the sources of wealth. Unless he believes in that he is not a Socialist. To use the word "Socialist" in any other way is an abuse of terms, and the device that has been adopted of adding two or three letters to the term, and making it "socialistic," does not make any difference. "Socialistic" means something that will tend towards Socialism, and it does not necessarily apply to measures which are intended to ameliorate the human lot. It must tend towards the socialistic objective — that Socialism which we, on this side of the House, are united in opposing. We are glad to say that in this respect we have the alliance of members on the other side of the House, in the persons of the Ministry and their supporters.

Sir WILLIAM LYNE.—Would the honorable and learned member kindly say what portion of the Bill he is discussing?

Mr. McCAY.—I am discussing the question whether a measure of this kind can properly be supported by those who do not believe in Socialism—that is exactly the way in which every honorable member who has taken part in this discussion has begun. The Minister in charge of the Bill knows nothing about the debate that has been going on, and consequently it surprises him to find that that line of discussion has been followed.

Mr. HIGGINS.—I should like to know, Mr. Speaker, whether it is in order to discuss a proposal which it would be impossible for us to carry out under the Constitution—has this Parliament anything to do with the question of nationalizing industries?

Mr. SPEAKER.—I would remind honorable members that the present incident indicates the necessity, which I know honorable members sometimes resent, for keeping strictly to the point under discussion. I permitted the honorable member for Parramatta to depart somewhat from the exact subject of the Bill, because I thought that

he was entitled to incidentally refer to certain points. His remarks were made the basis of certain observations by the honorable member for Bland, with whom I did not feel called upon to interfere, since he was replying to the honorable member for Parramatta. Now, further remarks are being made in reply to the honorable member for Bland, and, so far as I can see, the whole question as to what is or is not Socialism will be opened up for discussion. I cannot permit of anything of that kind. All that I can allow the honorable and learned member for Corinella to do is to make an incidental reference to the argument of the honorable member for Bland that the Bill is a socialistic measure. In reply to the honorable and learned member for Northern Melbourne, I may remark that it is not for me to say what is constitutionally possible or impossible. That is for others to determine.

Mr. McCAY.—When the honorable and learned member for Northern Melbourne rose, I was about to say that this was not a socialistic measure, and that therefore those who were not Socialists were in a position to support it, if they thought fit. We are all agreed that the growth of monopolies may be, and is, in fact, accompanied—we have the example of the United States—by evils which it is not only the right, but the duty, of the Legislature to combat. It is because I believe that we have in Australia what are virtually monopolies, and because threats have been made to injure Australian interests by means of dumping—both evils are either present or threaten to be present in Australia—that I say that it is not only the right, but the duty, of this Parliament to deal with these matters. Differences of opinion may arise between us as to the methods to be adopted, but as to the object to be attained—the prevention of injury to our industries through the operation of monopolies and by the dumping of goods on our shores—we must be all agreed, and I have no fear with regard to any legislation of this kind. I have always believed in the right and the duty of the State to regulate industry in order to see that no section of the community, or even an individual, suffers by reason of an abuse of the powers of individual action which the State gives to its citizens.

Mr. THOMAS.—Does the honorable and learned member support the Bill?

Mr. McCAY.—Most undoubtedly I do.

Mr. THOMAS.—I did not think the honorable and learned member could sink so low.

Mr. McCAY.—The honorable member's political ideas are at such a low level that most people have to stoop to look at them. The Bill deals with two entirely different subjects. It aims at achieving two entirely different results, and it strikes at two entirely different evils. Except for the convenience of procedure, it would have been better to deal with these subjects in two separate Bills. Part II. of the measure relates to the repression of monopolies; that is to say, it aims at preventing prices from being raised to the detriment of the consumer. Part III. deals with dumping, the object of which is to temporarily lower the selling price, to the detriment of the local producer, though the ultimate object is to furnish an opportunity for the creation of a monopoly which will result in increased prices, to the detriment of the consumer. But the immediate evils to be dealt with are entirely different, and the subject inevitably divides itself into two parts, which have to be separately discussed, and viewed from an entirely different stand-point. Part II. of the measure, which proposes to restrain monopolies, is based on the Sherman Act, which, as has been pointed out, has not achieved its object as fully and as entirely as, I presume, was hoped by those who introduced it. It has, however, made the career of monopoly in the United States a much more difficult one to pursue. It has made the assured existence of monopolies much more difficult, because, but for the corporation law of New Jersey—which is the biggest enemy the Sherman Act has to fight in the United States—the methods pursued prior to the putting into operation of the Act would have been brought to an end through the application of the Act to the circumstances of each case. Even as it is, monopolies in the United States have been driven back to a large extent—I do not say entirely—to their original forms of pools, or secret understandings, which, while they are just as effective as the more definite and legal forms of existence whilst they continue, are far more liable to come to an end through the falling away of one or more members of the combination. So that, even if the Sherman Act had done no more than this, its existence would have been justified, although there would be no ground for saying that no other

legislation was necessary. I would remind honorable members that, whilst trusts in the United States have worked great injury to the people, their history is not very encouraging to trust-mongers. A very large number of them have come to grief, and have caused great financial loss to those who have brought them into existence, or who have endeavoured to engineer them. Most trusts that have not been held together by legal obligations between the members have sooner or later failed to keep intact, and have consequently failed to carry out the maleficent objects which they have endeavoured to attain. If this measure renders the course of the trust promoter more difficult, and precludes him from relying on those associated with the trusts to carry out their bargain, it will be justified, provided always that in endeavouring to meet an evil which is not very great in Australia, but which may become greater, we do not create greater evils. We must always remember that it is of no use to apply a remedy if it is likely to prove worse than the disease. Consequently, in connexion with Part II. of the Bill, honorable members have to consider whether it threatens to produce evil results which would be worse than those now apprehended. If we can answer that question in the negative, the second point upon which we have to satisfy ourselves is whether the proposals are sufficient to secure the object aimed at. There is an intermediate course open to us. We may say that the Bill requires modification in order to avoid apparently mischievous results. I do not believe that Australian producers or consumers have suffered very seriously from trusts up to the present time. To institute a comparison between the present state of affairs in Australia and the conditions that have existed at any time during the past twenty years in the United States is to bring into contrast a comparatively small evil and a very large one. At the same time, to use the figure of speech adopted by an honorable member opposite, it is desirable to catch the tiger and shackle him while he is young. If there is a combination in Australia which, in the words of the Bill, is in restraint of trade or commerce, or is operating to the detriment of the public, it is our duty to see that it ceases to have such effects. I think that the words "to the detriment of the public," which have been inserted in this measure, remove many of the objections

that were urged, and with some reason, against the Sherman Act. A decision was given in certain freight cases in the United States that, whether the restraint was reasonable or unreasonable, or wise or unwise, it was prohibited by the Sherman Act. That objection does not apply to the Bill now before us.

Mr. HIGGINS.—How would the honorable and learned member show detriment?

Mr. McCAY.—That question goes to the root, not only of this particular proposal, but of the whole of the proposals in this measure, or in any other measure of the same kind, because unless these combinations detrimentally affect others who are not members of them the State is not called upon to interfere.

Mr. GLYNN.—Every Board and jury will become a Tariff Commission.

Mr. McCAY.—I do not think so. I think that detriment could be shown in this way: If it were found that a combination existed, and that the price of an article which it supplied had increased without any increase having taken place in the cost of its material, or in other directions, no jury would have any difficulty in concluding that that particular combination was to the detriment of the public. After all, this Bill relates in effect to increases in price, or to the limitation of the markets in which one may purchase, owing to the formation of combinations.

Mr. HIGGINS.—It would not apply to a brewer's tying lease. The Leer might not be increased in price.

Mr. McCAY.—The Bill would not apply to a brewer's tying lease, even in the absence of the words to which I have referred. If the brewer were in one State and the tied house in another, such a lease might possibly come under the provisions of this Bill, if it could be shown that it was to the detriment of the public.

Mr. HIGGINS.—How could that be shown?

Mr. McCAY.—If worse beer were supplied at the same price—

Mr. HIGGINS.—Let us assume that it is of the same quality and price.

Mr. McCAY.—If it were of the same quality and price I do not know what the public would have to do with it from the point of view of the repression of monopolies. It might be attacked on other grounds, and in other directions. But this part of the Bill is headed "Repres-

sion of monopolies," and it deals with that particular form of evil. When I was drawn off the track by the honorable and learned member for Northern Melbourne, I was about to remark that we have to consider whether this clause will meet the evil that we fear, and also whether it will create evils which we have to apprehend. I am not prepared to say that this portion of the measure meets with my unqualified approval. Like the next part, it requires some amendment, but in my opinion these matters can be better discussed in Committee. In spite of the addition which makes this part of the Bill less wide than is the Sherman Act, in its terms and in its application, it is undoubtedly much wider than is that Act. There are those who will welcome that fact, and others who will view it with modified approval, because they do not know exactly how far it will carry them. I do not think that I should serve any useful purpose by discussing the clauses in detail at the present moment. So far as I am concerned, I believe that we have reason to fear that monopolies—even if they do not exist now—may spring into existence in Australia at no distant date to the detriment of the public, and this Parliament in exercising the powers conferred upon it by the Constitution in respect of trade and commerce, is bound to see that it does regulate commerce in such a way that the public do not suffer. But to call such action socialistic is the wildest misuse of terms, and one would not need to take notice of it if the statement were not so persistently repeated in quarters where better knowledge should certainly prevail. In discussing Part III. of the Bill, which relates to proposals for the stoppage of dumping, one gets on to newer and much more difficult ground. I cannot agree with the leader of the Labour Party that Tariff issues, at any rate, cannot be raised in connexion with this part of the measure.

Mr. WILKS.—It is simply buttressing the Tariff—that is all.

Mr. McCAY.—I will not say that, although I think that, in some directions, perhaps, the present Tariff requires some buttressing.

Mr. CAMERON.—I think that it wants knocking down.

Mr. McCAY.—I know that the honorable member does, but I am hopeful enough to believe that my aspirations are more likely to be fulfilled than are his. I do not think

that this Bill, or any measure except a Tariff, should be used for the purpose of buttressing duties in such a way as to produce results which could not be produced by the duties themselves. I acquit the Government of any intention to pass this legislation for the purpose of producing results to which it could not induce this House to subscribe upon straight-out Tariff proposals. But the Minister of Trade and Customs was very unfortunate—to say the very least of it—in the expressions he used in moving the second reading of this Bill, because if Tariff issues have been raised in connexion with it, he is the gentleman who is responsible for having raised them. In listening to his protectionist utterances upon that occasion, I certainly would have thought—had I not known otherwise—that he was speaking of proposals to increase duties in the Tariff. I do think that in the course of his remarks he did—intentionally or unintentionally—bring the question of the rates of the Tariff duties before the minds of honorable members. However, I do not believe that the Government have brought forward this part of the Bill for that purpose. I believe that dumping, as we understand it—that is, dumping at unremunerative prices for the express purpose of destroying local competitors, and thereafter dumping at highly remunerative prices—is threatened in Australia, and that such a practice as that cannot be met by ordinary Tariff remedies. But I do not believe that it will occur in many cases. So far as I know, it has not occurred at the present time. Perhaps the Minister will correct me, if I am not as familiar with the facts of Australian commerce in this respect as he is. I would ask him whether there are any cases within his cognisance in which dumping has taken place to the substantial detriment of Australian industries?

Sir WILLIAM LYNE.—I think so, most certainly.

Mr. McCAY.—That is information which honorable members are entitled to have in their possession. If the evil be pressing, we are justified in taking more strenuous steps and incurring more risks to cope with it than would be the case if it were not urgent and pressing. Will the Minister be good enough to tell the House in what industries his experience leads him to suppose that dumping of the kind to which he objects is taking place?

Sir WILLIAM LYNE.—I shall reply to that question at the close of the debate.

Mr. McCAY.—I think that free-traders and protectionists alike are entitled to know from the Minister in what industries dumping is taking place, in order that they may realize the character and extent of the evil which they are called upon to fight. The Minister should have given us that information in moving the second reading of the Bill, but he failed to do so. Every honorable member who has addressed himself to this subject should have had in his possession, through the Minister and through *Hansard*, all the information relating to monopolistic action and to dumping that is available in the Department over which he presides. The honorable gentleman has not given us that data, and he has thereby placed us at a great disadvantage. Consequently, it is only fair that I should ask him what are the industries in which dumping is taking place, or in which his Department has reasonable grounds for apprehending dumping.

Mr. KELLY.—He does not know.

Mr. McCAY.—I presume that he is cognizant of cases, though he did not tell us what they were when he moved the second reading of the Bill.

Sir WILLIAM LYNE.—Had I done so, I should not have had anything to say subsequently.

Mr. McCAY.—In concluding the debate, it is the Minister's business to sum up upon the arguments which have been advanced on the second reading of the measure. But it was his duty, in introducing the Bill, to give us all the information in his possession. I am just as earnest as he is in my desire to support a fair protectionist policy in this country, and I resent being placed at a disadvantage by his refusal to give information which it is his duty to supply.

Sir WILLIAM LYNE.—I am very glad to hear that the honorable member is a protectionist.

Mr. WILKS.—He is the Minister's warmest supporter upon this Bill.

Mr. McCAY.—The Minister has said that there are cases in which dumping is taking place, or is threatened, but he refuses to tell us what they are.

Mr. HIGGINS.—It would be disorderly to speak now.

Mr. McCAY.—Then why is the honorable and learned member speaking? I venture to say that if a member of the Labour Party had asked the same question

that I have asked, the Minister would have given an answer—and a much more definite one—than he has condescended to give me.

Sir WILLIAM LYNE.—I said "Yes, Mr. McCay."

Mr. McCAY.—I resent the refusal of the Minister to supply me with the information that I desire. The proposals in this part of the Bill, in effect, set out that if the Comptroller-General thinks that any Australian industry is likely to suffer from any importation that is likely to take place, he may so report to the Minister. That officer may call it dumping, and the Minister may then appoint a Board to determine if it is dumping. Should it be decided that dumping is taking place, and that Australian industries are likely to suffer therefrom, the Government may prohibit further importation of the goods in question. In this connexion, I should like the attention of the Attorney-General. I wish to know whether he thinks that the reference to injury to industry which is contained in Part III. of the measure would be satisfied—so far as proof is concerned—if it could be shown that one manufactory engaged in a particular industry was suffering from the importation which was taking place, or whether it would be necessary to show that all the factories in that industry were suffering. Suppose that there are twenty factories making jam tins in Australia—I select jam tins because they have never so far been a live subject in this House, and have never given rise to keen party feeling—and that a foreign trust starts to send jam tins into Australia and secures so much of the market as to compel one of the smaller factories in Australia to stop work, would that be dumping within the meaning of this part of the Bill?

Mr. ISAACS. — On the facts recited, I should rather think not.

Mr. ROBINSON.—The question is what would the Board say?

Mr. ISAACS.—I should not think that that would be an injury to the industry.

Mr. McCAY.—That is what I wish to get at; and, having secured that answer from the Attorney-General, I direct the honorable and learned gentleman's attention to the fact that the vagueness of this part of the Bill in that respect is undesirable. What is "injury to an industry"? We should in some way give the Board, or whatever the authority dealing with such matters is to be, some guide as to what is

to be regarded as "injury to an industry," because otherwise I think that the Board would probably regard the instance I have given as one involving injury to the industry mentioned, since the action of the foreign trust would certainly have the effect of throwing Australian workers out of employment.

Mr. ISAACS.—The honorable and learned gentleman is now referring, not to injury to an industry, but to unfair competition. That is another matter, and is only one ingredient of what might be "injury to an industry."

Mr. McCAY.—I know that it is only one ingredient, but I have mentioned that which I think relevant to the particular inquiry I am making.

Mr. ISAACS.—That was hardly the honorable and learned gentleman's question.

Mr. McCAY.—The object of the measure is the preservation of industries advantageous to the Commonwealth. In the instance I have quoted one-twentieth of such an industry is destroyed by means of importations, and the Board might say: "We are afraid that the other nineteen-twentieths will be destroyed hereafter, and therefore we say that this kind of dumping is forbidden by the Bill," and the Government might consequently prohibit importation altogether in that particular line.

Mr. ISAACS.—I understood the honorable and learned gentleman's question to be practically—Is one factory synonymous with the whole industry?

Mr. McCAY.—No; but if dumping or injury to an industry begins by so small an interference, I still say that there is a weapon here that can be used practically to prohibit almost all importations, and that would be an unfair thing for any one, however ardent a protectionist he might be, to propose.

Mr. MAUGER. — The honorable and learned gentleman does not think that the Board would do such a thing?

Mr. McCAY.—I think that under the Bill as it stands such a result might be possible.

Sir WILLIAM LYNE.—It is a possible, but not a probable, result.

Mr. McCAY.—I am coming to that. I used the word "possible" deliberately. I agree with the Minister that it is a possible rather than a probable result, but the honorable gentleman knows that extreme cases very often, though not always, give the best test of the effects of legislation, because they

show in what way we can modify and limit a provision so as to prevent the extreme cases from being conceivably within the operation of a measure. It is for that purpose, and that purpose only, I endeavoured, courteously, I hope, to get some information from the Attorney-General, which the honorable gentleman has been courteous enough to give me.

Mr. HUTCHISON.—Would importations likely to injure one factory not be likely to injure all engaged in the same business?

Mr. McCAY.—It is possible in some circumstances. I selected the example I gave as the simplest illustration, and not as necessarily the most likely example to occur. I say that this measure does make what I have suggested, a possibility, if not a probability. Though it is not probable that in its administration or operation such a result would follow, it is not desirable that our legislation should be passed in such a form as to leave such a result a possible one. There are two ways in which it can be avoided. The one is by amending the language of the Bill, and I think that some amendment of this part of the Bill will be required, and the other is to strengthen the tribunal or tribunals that will have to deal with these matters. The series of tribunals concerned, as the Bill stands at present, are first, the Comptroller-General, second the Ministry, third the Board, though I admit that the Minister has agreed to amend that, and fourth the Cabinet.

Sir WILLIAM LYNE.—I was not in favour of a Board from the first.

Mr. McCAY.—I am aware that the Minister proposes to amend that provision, but I am dealing with the Bill as it stands. I have not heard what amendment the Minister proposes, but if he proposes to substitute a jury for the Board I should prefer the Board.

Mr. ISAACS.—We could not have a jury to deal with these matters.

Mr. McCAY.—I understood the Minister to say that it was the intention to bring a jury into this in some way.

Sir WILLIAM LYNE.—No.

Mr. McCAY.—Then I misunderstood the honorable gentleman. I have mentioned the tribunal proposed in the measure as it stands. Probably the Comptroller-General is the proper person to put this portion of the law in operation. He is the permanent head of the Department which has to deal with all these matters,

and the person most likely to become aware of the facts in any particular case at the earliest possible opportunity.

Mr. ISAACS.—And he has no fiscal opinions.

Mr. McCAY.—He has no personal views in the matter, though he may have a personal unconscious bias. Then there is the Minister, and the matter must come before him, because as the political head of the Department the Minister must take responsibility. Then it comes to the Board. I think that undoubtedly the proposal should be so far framed in the nature of a judicial proceeding as to enable it to be dealt with by a Justice of the High Court.

Sir WILLIAM LYNE.—So do I.

Mr. McCAY.—I see no reason why the clause dealing with the matter should not be amended in such a way as to produce that result.

Mr. ISAACS.—It can be done when we get the Justice.

Mr. McCAY.—If the appointment of an extra Justice be necessary, I would prefer to pay for an extra Justice to deal with these matters, rather than that they should be dealt with by a Board. I think the House generally is of the same opinion. The Attorney-General will agree with me that it would be wise to so alter the proceedings to be taken under this part of the Bill as to make them of a judicial character, and thus enable a judicial decision to be given upon them.

Mr. ISAACS.—We might make provision for a judicial decision by providing for a form of injunction.

Mr. McCAY.—The question is, who is to act upon the decision? It is clear that it might easily have the effect of a Tariff decision. Honorable members will recollect that last session the Minister of Trade and Customs introduced a Bill to amend division 6A of the Tariff, which, after the amendments to which the honorable gentleman agreed had been made in it, left matters practically as they were before the measure was introduced.

Sir WILLIAM LYNE.—That is not so.

Mr. McCAY.—In my opinion it is. The honorable gentleman brought in a proposal to enable division 6A of the Tariff to be made operative after a decision of the Governor-General in Council. That was the effective alteration proposed, but that was struck out, and we went back to the provision then in the Tariff, that division 6A could only be brought into operation by a

resolution of the two Houses. The honorable gentleman admitted, in answer to the honorable member for Bland I think it was—it usually is—

Sir WILLIAM LYNE.—The honorable and learned gentleman appears to be very jealous of the honorable member for Bland.

Mr. McCAY.—Not in the least, but I confess that I am a little jealous that the honorable member for Bland should be able to get answers from the Minister when I cannot. I think the humblest member of the House is just as much entitled to an answer from the Minister on a relevant matter as is the most important member.

Mr. JOSEPH COOK.—Still, the honorable and learned gentleman will admit that there is a difference.

Mr. McCAY.—There is, I admit, a great deal of difference.

Mr. JOSEPH COOK.—If the honorable and learned gentleman will give the Minister some votes, he will quickly get some information.

Mr. McCAY.—I am not bargaining at present in that way. I think that the measure to which the Minister eventually agreed last session carried us back to the provision which then existed—that alterations in division 6A of the Tariff should not be brought into operation until both Houses had passed a resolution. I say that under this part of this Bill it is highly possible, and even reasonably probable, that results just as important as an alteration of a duty in the Tariff may follow, and if this part of this Bill is to be applied in its present form, then, after a decision that dumping is going on has been arrived at by a judicial tribunal, it ought to be by a resolution of both Houses of this Parliament that such a decision should be put into operation. If the increase or diminution of a duty by 1 per cent. is a power which Parliament will not part with, surely the imposition of prohibition, which is the imposition of a duty of any percentage one pleases, should in some way be an act of Parliament, and not an administrative act? Otherwise, I say most unhesitatingly that there is a temptation to persons interested to endeavour to corrupt an honest Minister, and that is something to which no Minister, however honest and incorruptible, should be exposed. That is a danger we do not desire to create, and it is the kind of danger which does lead to wrong-doing. Personally, I may say that I think the Canadian system of dealing with dumping, or threatened dumping,

is safer and more reliable than is this, but I shall not quarrel with the Bill on that account.

Mr. WILKS.—That is the raising of duties.

Mr. McCAY.—Yes, the raising of the duty on a particular article which is below a fair market price. There are details of this Bill with which I do not at all agree. I am dealing now only with general principles, and I do not wish it to be understood that because I am not criticising particular clauses I agree with everything in the Bill as it stands. I think that the Canadian system which enables the State to get the benefit by means of the duty to the extent of the difference between the dumping price and the fair market price is a very wholesome corrective which would operate very satisfactorily, and it is free from the dangers that are to be found in this measure. If dumping were really taking place, the dumping importers would at once raise their price to the fair market price, as they would be making no profits out of their transactions. The Canadian system properly worked operates almost automatically, and gives no encouragement to any one to use the measure as a means of practically raising the Tariff. As honorable members are aware, there are some articles included in the Tariff the duties on which ought to be raised, but, I think that they should be raised by putting the necessary alterations plainly in the Customs Tariff Act, and I do not desire that they should be dealt with under this measure, as they might be, if passed in its present form. There is much else that I should like to say, but I am very anxious to see the debate on this measure and others confined within reasonable limits. I am very anxious to assist the Government to get on with business, and I am anxious, for example, to see the Tariff Commission's reports, and what the Government propose to do with them. I shall consequently now terminate my remarks, only summarizing my position by saying that I do not believe that the evils threatening at the present time are great, although they may be sufficient to justify us in using reasonable means to prevent them from growing great; that Part II. of the Bill, with some amendments, cannot reasonably be quarrelled with by any one who believes as I do that the State is justified in regulating industry; that Part III. of the Bill aims at a danger which I do not think is an actual danger

to any great extent, so much as an apprehended danger; that it contains within its provisions elements of danger in the remedy which may be equal to the danger in the disease; that it does lend itself to a marked extent to heated partisanship, and that I do commend seriously to the consideration of the Government the adoption of some such method as the Canadian method of dealing with dumping as a substitute for the method proposed in Part III.

Mr. ISAACS.—That could not be done in this Bill.

Mr. McCAY.—Perhaps not; but the fact that it cannot be done in this Bill is no real objection to what I suggest. If that be the proper thing to do, let us do it, if not in this Bill then in some other Bill. Finally, I wish to say that if the Government will not do that, as I think they should, I hope they will give to prohibitions of importations at least the same dignity that is given to limitations of importations by the imposition of Tariff duties, and that, just as this Parliament will not allow out of its control an alteration of Tariff duties, so it should not allow to pass from its control the entire prohibition of imports. To say that the goods would be delayed in the meantime is to say nothing, because, under the Bill as it stands, goods would have to be delayed, or distributed only under conditions. And in a matter of this kind, which amounts to a general prohibition,—not merely a prohibition of any imports at the moment on the water, but a prohibition of imports until the prohibition is removed—which might be a prohibition lasting for ever, because under this measure the mere fact that a commercial trust sends goods to Australia is evidence in itself of unfair competition and dumping—

Mr. ISAACS.—No, no.

Mr. McCAY.—I shall be prepared to deal with that more fully in Committee.

Sir WILLIAM LYNE. — What would the honorable and learned gentleman do if Parliament were not in session?

Mr. McCAY.—We should have to wait, that is all; and I remind the honorable gentleman that goods can be held up under the Bill as it stands. The inquiry by a Board may take a long time, and it should not be forgotten that it is a serious thing to prohibit altogether the imports of any particular line of goods. It is at least of as

great importance as would be the placing of a duty on that line of goods, and I do not desire that it should be said that this part of this measure might be used for party or corrupt purposes.

Sir WILLIAM LYNE.—The honorable and learned gentleman might trust Ministers a little more than he does.

Mr. McCAY. — Even Ministers are human, and in other countries they have not proved themselves superior to the frailties of humanity. I admit that in Australia we have a record which, despite an occasional blot, is clean enough to make any man proud. I do not suppose or believe that that record will not be maintained, but I do not approve of proposals of this kind, which make such risks as I have indicated possible. While approving of the two objects which the Government desires to achieve, I urge upon them some consideration of what I think are the fair remarks which I have made, in no hostility to the measure, but with an honest desire for its improvement, that it may be made reasonably operative, and that its operation may be attended by no unnecessary evils or risks.

Debate (on motion by Mr. DEAKIN) adjourned until after the consideration of the motion for the election of a Chairman of Committees.

Sitting suspended from 6.35 to 7.35 p.m.

CHAIRMAN OF COMMITTEES.

Motion (by Mr. DEAKIN) agreed to—

1. That the House do now proceed to the election of a Chairman of Committees.

2. That, in the event of more than two members being proposed for the position, the election shall be by open and exhaustive ballot, and that so much of the Standing Orders be suspended as would prevent the House adopting such course.

Mr. BATCHELOR (Boothby) [7.38].—I move—

That the honorable member for Kennedy (Mr. Charles McDonald) be appointed Chairman of Committees of this House.

This is not a new House, and as honorable members are therefore well acquainted with each other, it is not necessary to make a long speech in support of this motion. The honorable member for Kennedy has been a Temporary Chairman of Committees throughout this and the last Parliament, has had a very long membership of the Standing Orders Committee, and possesses an

acquaintance with the Standing Orders and rules of procedure such as most of us may envy, but few of us can equal. I think that there can be no doubt of his general fitness for the position of Chairman of Committees, and his courteousness and impartiality are unquestioned. I therefore propose him as the most suitable member we can select as Chairman.

Mr. PHILLIPS (Wimmera) [7.40].—I move—

That the words "Kennedy (Mr. Charles McDonald)" be left out, with a view to insert in lieu thereof the words "Laanecoorie (Mr. Charles Carty Salmon)."

I offer no excuse for this amendment. The honorable member for Laanecoorie was Chairman of Committees during the last two sessions, and proved himself a most able and conscientious officer. He showed that he possesses a close and keen knowledge of the Constitution Act, and is also well versed in the Standing Orders and rules of procedure. I feel that, no matter what the choice of the House may be, either candidate will give satisfaction.

Mr. MCCOLL (Echuca) [7.41].—I have very much pleasure in supporting the amendment. The honorable member for Laanecoorie occupied the chair in Committee during the last two sessions with very marked success, and has shown himself a ready, capable, conscientious, and impartial man, being well acquainted with the forms of the House, the Standing Orders, and the Constitution. On the occasions when he had the privilege of occupying your seat, Mr. Speaker, during your compulsory absence, he filled the position with dignity, and earned the respect of all. In my opinion, it is a mistake to make this election a sessional matter. I think that the Standing Orders might well be altered so that the Chairman chosen at the beginning of the Parliament would sit during the life-time of that Parliament, and I trust that that change will be made before the occasion for another election comes round, because it seems a pity to break the continuity of the occupancy of the office.

Question—That the words proposed to be left out stand part of the question—put. The House divided.

Ayes ...	...	...	28
Noes ...	...	...	21
—			
Majority ...	...	...	7

AYES.

Bamford, F. W.
Batchelor, E. L.
Brown, T.
Carpenter, W. H.
Chanter, J. M.
Culpin, M.
Edwards, R.
Fisher, A.
Fowler, J. M.
Frazer, C. E.
Fuller, G. W.
Hughes, W. M.
Hutchison, J.
Kelly, W. H.
Lee, H. W.

Mahon, H.
O'Malley, K.
Page, J.
Poynton, A.
Spence, W. G.
Tudor, F. G.
Watkins, D.
Watson, J. C.
Webster, W.
Wilkinson, J.
Willis, H.

Tellers:

Thomas, J.
Wilks, W. H.

NOES.

Bonython, Sir J. L.
Deakin, A.
Ewing, T. T.
Forrest, Sir J.
Fysh, Sir P. O.
Glynn, P. McM.
Groom, L. E.
Harper, R.
Higgins, H. B.
Isaacs, I. A.
Kennedy, T.
Knox, W.

Lyne, Sir W. J.
McCay, J. W.
McColl, J. H.
McWilliams, W. J.
Phillips, P.
Skene, T.
Turner, Sir G.

Tellers:

Cook, Hume
Wilson, J. G.

PAIRS.

McDonald, C.
Thomson, D. A.
Maloney, W. R. N.
Lonsdale, E.
Kingston, C. C.
Ronald, J. B.
Conroy, A. H. B.
Reid, G. H.
Edwards, G. B.

Salmon, C. C.
Quick, Sir J.
Crouch, R. A.
Storrer, D.
McLean, A.
Mauger, S.
Smith, B.
Gibb, J.
Chapman, A.

Question so resolved in the affirmative.

Amendment negatived.

Original question resolved in the affirmative.

Mr. DEAKIN (Ballarat—Minister of External Affairs) [7.47].—I congratulate the honorable member for Kennedy upon his election to the highly honorable position of Chairman of Committees. Those who cast their votes in favour of the amendment did so, as we are all aware, with no personal reflection on his qualifications for the post, and through no want of confidence in him. We know the manner in which he has discharged the duties of a Temporary Chairman, and entertain no doubt as to the efficiency which he will display in connexion with the obligations he is about to accept. May I be permitted to add, without detracting from what I have said, that the fact that this House has been called upon on three separate occasions to elect a Chairman of Committees is one to which we might well give our serious

consideration. A comparison of our system with that which obtains in the other Chamber should lead us to prefer the latter. It will also be understood, even without any statement to that effect, that the House has in no way lost its respect for and confidence in the honorable member's predecessor in office. He occupied the chair during extremely trying times, and under circumstances which placed the greatest strain both upon his knowledge of parliamentary practice and his resolute courage in doing his duty. We can assure the honorable member that the choice of another to act as Chairman during the last session of this Parliament has been in no degree due to any failure on his part to uphold the highest traditions of the post he admirably filled.

Mr. McDONALD (Kennedy) [7.51].—I desire to thank honorable members for having elected me to the position of Chairman of Committees. I can assure them that I fully appreciate the high honour they have conferred upon me. I do not take it amiss that some honorable members should have voted against me. Every honorable member has the right to vote according to his convictions, and it is not for me, or any one else, to cavil at what he may do. I assume that every honorable member votes with a clear conscience, and with the conviction that he is doing the right thing. I hope that, in discharging the duties of my office, I shall, so far as my abilities will permit, hold the scales of justice evenly between all parties.

HONORABLE MEMBERS.—Hear, hear.

Mr. SALMON (Laanecoorie) [7.53].—I desire to congratulate the honorable member for Kennedy upon having been chosen to fill the very responsible position of Chairman of Committees. I can assure him that if at any time I can be of the slightest assistance I shall be pleased to place my services at his disposal. I know that the position is not always an easy one to fill, but, fortunately for the honorable member, he will have a very much more complete set of Standing Orders to work under than I had during my term of office. I am sure the honorable member for Kennedy will realize all that is expected of him. I heartily thank honorable members who have shown by their votes that they still repose in me that confidence which I feel that I have not in any way forfeited. I recognise that honorable members have a perfect right to vote in these

matters as their consciences dictate. I feel very deeply indebted to those honorable members on the other side of the Chamber who have been good enough to support me. In view of their standing in the House and in the country, their action will tend to refute any misrepresentations that may follow upon the vote to-night. With regard to those who decided that they could no longer support me for the position, I recognise that they have given effect to the threat which their leader saw fit to utter to me during last session. I offer them my most profound commiseration.

AUSTRALIAN INDUSTRIES PRESERVATION BILL.

SECOND READING.

Debate resumed (*vide* page 473).

Mr. LEE (Cowper) [7.55].—I congratulate the Minister of Trade and Customs upon having chosen a very high-sounding title for the Bill. "A Bill for the preservation of Australian industries, and for the repression of destructive monopolies" sounds very well, and, judged by its title alone, the Bill ought to receive abundant support. The honorable member for Bland branded honorable members on this side of the House as bogus anti-Socialists. I would suggest to the leader of the Opposition that he might take his cue from the Minister of Trade and Customs, and change the name of the party. He might call it "A party for the preservation of the individual rights and liberties of the people of the Commonwealth, and for the repression of destructive land-tax legislation." If that high-sounding title were adopted, we should no doubt be able to enrol many more members under our banner. After all, however, perhaps the shorter name we now have is the better one, and we shall continue to fight under it. The Minister of Trade and Customs is an ardent advocate of protection. He is the high priest of that fiscal cult. Although a representative of New South Wales, which is essentially a free-trade State, no more pronounced protectionist could be found in Victoria. In season and out of season he has commended protection as a remedy for all evils. Now, however, he seems to have found that his invariable panacea is deficient, and hence he has deemed it necessary to introduce a measure which practically embodies the principle of prohibition. I think that the appeal made by the honorable member for Perth

should have received the most serious consideration of the Government. The Tariff Commission have been engaged during the last two years in inquiring into the effect of foreign competition upon local industries. They have taken an immense volume of evidence from representatives of nearly every industry that could be affected by the Tariff, and I think that we were entitled to have their report placed before us before being called upon to deal with this measure. The Tariff Commission have done good work, and if we had had their report before us we should have been better able to judge how far the Tariff had proved efficient to protect our native industries. The Bill has been introduced to enable the Minister to combat the International Harvester Company and the Massey-Harris Company, whose importations are said to be injuriously affecting our colonial manufacturers.

Mr. PAGE.—The Minister denies that.

Mr. LEE.—He does not deny it. Among the combines with which it was desired to deal, he mentions the International Harvester Company, the Massey-Harris Company, and the Colonial Sugar Refining Company.

Sir WILLIAM LYNE.—I also mentioned the shipping combine.

Mr. LEE.—There are a number of other trusts and combines which the Minister did not mention.

Mr. WILKS.—What about the brewers' combine?

Mr. LEE.—I intend to ask the Minister whether he intends to deal with the tied-house question. Two sessions ago the Attorney-General could not sleep owing to his concern for the welfare of our industries, which, he said, were being ruined owing to the operation of the Tariff. The honorable member for Melbourne Ports also repeatedly directed attention to the extent to which our industries were languishing in consequence of the ineffectiveness of the Tariff to protect them. They agitated for the appointment of the Tariff Commission, and yet they are willing to deal with this measure whilst honorable members are completely in the dark as to the result of the inquiries of the Commission.

Mr. MAUGER.—What has this to do with the Tariff?

Mr. LEE.—It has everything to do with the Tariff. The International Harvester Company and the Massey-Harris Company, with which it is proposed to deal under this measure, are trading here legitimately.

The prices they charge to our farmers are the same as those which rule at their factories in the United States and Canada respectively. They do not sell at a loss, but at a profit. Both companies were prepared to submit their books for examination by the Tariff Commission, in order to prove that they are charging fair prices, provided that Australian manufacturers of agricultural implements were willing to adopt the same course. At present the Sunshine Harvester Company have an advantage over the importers of harvesters to the extent of £20 per machine.

Mr. PAGE.—Who pays that amount?

Mr. LEE.—The farmer has to pay it. The Minister took credit to himself for having broken up the harvester ring. I think that that ring was broken when Mr. McKay gave information that the Massey-Harris Company were invoicing their harvesters at prices lower than they charged at their works. If the Minister can break up rings, as he claims, why should it be necessary to introduce this measure? The Minister also mentioned the case of the Standard Oil Company. That may be a destructive monopoly in the United States, but it cannot be contended that it has operated to the detriment of the people here. The company control the whole of the Australian market, and yet they have not raised the price of kerosene. They sell their product at about 7s. per case, ex warehouse, and it cannot be pretended that their action has proved injurious to any of our industries. The Minister says that a company has been formed, with a capital of £600,000 or £700,000, and that it has expended £80,000 in developing the kerosene shale product in New South Wales. All honour to a company that will do so. They are doing this despite the fact that no duty is being levied upon kerosene at the present time. But there is nothing to prevent that company—assuming that this Bill be passed in its present form—from coming to the Minister and saying, "The Standard Oil Trust is ruining our industry," and from endeavouring to make out a case for prohibiting the importation of kerosene from abroad. If that were done, the Australian consumer would probably be unable to purchase kerosene for less than double its present price. That is not a pleasant prospect. In moving the second reading of the Bill, the Minister of Trade and Customs said that the reason he suspected a design on the part of the Inter-

national Harvester Company and the Massey-Harris Company to deprive the Sunshine Company of their trade in the manufacture of harvesters, was to be found in a speech which had been delivered by a Mr. Coxton at Numurkah, in which that gentleman had declared that the two first-named companies were determined to secure the trade, adding that if one agent was not enough to place in a town, they would appoint two, and that if two were not sufficient, they would appoint three. The Minister may believe such statements, but I am sure that any person who is familiar with business methods will treat them very lightly. Why, every commercial traveller, when he interviews a customer, almost invariably assures him that he represents the best house, that the goods which he sells are the best, and that his firm are able to knock out everybody else. I pay very little attention to such observations. Do we not all know the methods which are pursued by business houses to advertise themselves? Only the other day I noticed a pictorial advertisement upon a railway hoarding setting forth that Harper's oatmeal was the best obtainable. Underneath were the words, "We all eat it." That statement is scarcely correct, but we know that it is merely intended as a trade advertisement. Quite recently the Lithgow Iron Works entered into a contract with the New South Wales Government for the manufacture of pig-iron and steel rails. That contract was undertaken with the full knowledge of existing conditions. But if this measure be passed, the day may speedily come when that company will be in a position to stop the operations of the great steel trust of America, so far as Australia is concerned. I hold that that is not right. I am in favour of preventing any person from introducing into the Commonwealth goods which he intends to dispose of at less than a proper selling price, but I am not in favour of preventing him from selling them at a reasonable price. The Minister of Trade and Customs has declared that the cane-growers in Australia who have spoken to him upon the subject, have affirmed that they do not receive a proper return for their cane from the Colonial Sugar Refining Company. When I asked him whether the Board which he would appoint under this Bill would be able to deal with that complaint his reply was "No, it is a matter for arrangement between the growers and the Colonial Sugar Refining Company." I have nothing to say against that company, except that they conduct their business upon

true commercial lines. They sell their sugar at so low a price that nobody can take their market from them, and at the same time they exact the last farthing from the consumer. They enjoy the benefit of a duty of £6 per ton upon imported sugar, but I understand that a great deal of the protection which they are thus afforded goes to the cane-growers. The company came to the relief of the sugar industry in its early days when it was in a languishing condition, and I am sure that the success of the industry is very largely due to their operations. But the time has now arrived when we should consider whether this company should always control that industry in Australia. I believe that the proper way to deal with this question is by means of co-operation. I do not know whether the Minister has come to the conclusion that we cannot deal effectively with outside monopolies which are alleged to be endangering our own industries, by means of our Tariff. This afternoon the honorable gentleman was asked to mention one case of dumping in which an Australian industry had been interfered with, but his reply was that he was withholding the information until the close of the debate. I contend that he should have placed it before honorable members at the earliest possible moment. At any rate, he might have supplied it when he was asked to do so by the honorable and learned member for Corinella. I do not know whether this Bill is necessary in order to give effect to the policy of "Australia for the Australians," upon which the Government intend going to the country. To my mind it looks more like a measure which is designed to set apart Australia for the manufacturers. The best way to develop the Commonwealth is not by bolstering up artificial industries—not by excluding free competition—but by fostering a spirit of self reliance amongst our people. We want to extend our internal and external trade. All the trusts in the world cannot interfere with our natural industries. No trust can kill our butter, coal, wheat, or timber industries. We fight the trusts, so far as those products are concerned, in the markets of the world, and we are able to hold our own. There is one gigantic combine in Australia to which I find that no allusion has yet been made. Only the other day I noticed that the Victorian brewing companies have recently formed a combine. They have closed two

or three breweries, and intend to control the whole of the trade in Victoria.

Mr. TUDOR.—They have not closed them; the combine has not yet come off.

Mr. LEE.—We know that half the licensed houses in Melbourne are tied to these breweries. That, I take it, would constitute a restraint of trade under this Bill. Notwithstanding that the publicans are the slaves of the brewers, the Government do not propose to deal with the brewing combine. If they do, they have kept very quiet about the matter. The brewing combine is the most gigantic trust in Australia to-day, and it is the one which most injuriously affects the character of our people. Only the other day we discussed the question of whether Dr. Danysz should be permitted to conduct experiments with the microbes which he has introduced into Australia for the destruction of rabbits, and some persons were under the impression that we had no right to interfere with the Government of New South Wales in regard to such a matter. But we had a higher duty to discharge than had the Government of that State, because we had to protect the lives of the people of Australia. For the same reason we should not hesitate to deal with the brewing combine. Then there is the gambling evil which exists in Tasmania, to which we might profitably devote our attention. No matter what the State rights of Tasmania may be, we should have no compunction in stamping out that evil.

Mr. WEBSTER. — Does the honorable member propose to deal with it in this Bill?

Mr. LEE.—It is in the hands of a combine, and I hope we shall be able to deal with it under this Bill. I feel sure that the honorable member for Gwydir will give his assistance, because I know that he does not approve of gambling in any way. I do not believe that this measure will do all that the Government expect from it. I do not wish to oppose its second reading, because if it will not do much good, it may not do much harm. I point to the fact that the present Government are responsible for a number of measures which have remained inoperative. The leaves of the Arbitration Act are still uncut, and the Minister of Trade and Customs has issued regulations under the Commerce Act which he is not able to manage. The honorable gentleman has drafted regulations which he knows he cannot work.

I defy him to carry out those regulations. It is impossible, for instance, for the honorable gentleman to insist that a stamp shall be put upon every box of butter.

Sir WILLIAM LYNE.—After this speech we will have to stamp them.

Mr. LEE.—The Minister is not able to do it, and he knows that. How can he stamp every box in a shipment of thousands of tons?

Mr. SPEAKER. — Will the honorable member debate the Bill?

Mr. LEE.—I am trying to show that the Minister is unable to give effect to the Commerce Act, and that it is very likely that this measure will remain similarly inoperative. I consider that this Bill should be held over until we have the reports of the Tariff Commission, when we shall be in a position to say in what way the Tariff fails to do what is expected of it. I am personally in favour of preventing any destructive monopolies, whether in the hands of trusts, combines, or individuals, and also any dumping of manufactured goods for the purpose of destroying legitimate industries; but I still hold that the best way in which to develop our country is to extend our external, as well as our internal, trade. We ought not, by legislation, to endeavour to make everything easy for our people. They should not be given special concessions, but should be prepared to face the competition of the world as the people of England did, when they established their colonial possessions, and gave us a Constitution under which we might apply to them the same Tariff that we apply to the foreigner.

Mr. MAUGER.—They could not help it.

Mr. LEE.—They might have insisted, as France did, in connexion with New Caledonia, on provisions giving them a preference, and as the United States has done in dealing with Hawaii.

Mr. MAUGER.—When they tried it on they lost America.

Mr. LEE.—That was something altogether different. They lost America by an attempt to impose taxation without representation. England gave us a Constitution under which we might put up barriers against her. She did not ask us for any preference, because she is prepared to meet every comer on equal terms. If we wish to have a vigorous nation here in Australia we must develop habits of self-reliance in our people. But the Minister of Trade and Customs has a sympathetic as well as

a protectionist ear, and listens to every cry of discontent, and every statement of difficult industrial conditions. The honorable gentleman has always, hitherto, been prepared to advocate protection, but in this case he has thrown protection to the winds, and has gone in for prohibition.

Mr. McCOLL (Echuca) [8.25].—I do not propose to discuss the details of this measure, nor yet to make an academic speech such as we have listened to in the debate upon it. I view the measure with somewhat mixed feelings. While I have every sympathy with the object at which it aims, I certainly have very considerable misgivings as to whether it will fulfil that object, and whether its operations may not be as hurtful to the industries of this country as they can possibly be beneficial. I do not believe there are honorable members of any section in this House who do not desire to do their very best to encourage the industries of Australia in every possible way.

Mr. MAUGER.—Only some go a very funny way about it.

Mr. McCOLL.—“The industries of Australia” is a very wide expression. They do not consist merely of those carried on by centralized workmen, who are able to use the power which concentration in cities gives them, perhaps to the detriment of the more important section of the people of the Commonwealth, who have to keep them. In debating a measure such as this we have to look, not first of all to what effect it is going to have upon the denizens of cities and the workmen there, but to the effect it will have upon the primary industries of the country, because it is to the primary industries of this country that we must look for the prosperity of Australia. I am quite aware that there are honorable members who consider those industries of very little account. Because the farmers are not always in evidence, are not gathered in great numbers to make their wants known by great clamour, and to buttonhole politicians, they do not care very much what happens to them.

Mr. MAUGER.—Is there any section of the community that has had more help than have the farmers?

Mr. McCOLL.—This is a measure of a very far-reaching character. It touches all sections of the community, and its incidence is not merely local, Federal, or even Imperial, but is also international. It is indeed very hard to say what its effect will be when it is brought into active operation.

I may be unduly cautious, and I certainly like to know where I am going to set my foot before I raise it, but I say that we have not reached a stage of industrial development in this country that calls for the passage of such a measure. The measure is new, and, as legislation is entirely experimental, I do not say that it is bad on that account, nor do I say that we should always follow in the beaten track of the legislation of other countries. But I say that in dealing with a far-reaching measure such as this it would be well to pause and to refrain from going at the present time the full length here proposed. I claim that our industrial conditions do not demand this measure at present. Though that may be admitted by some honorable members, they hold that we should anticipate the demand of some later day. When that necessity arises it will be time enough to pass a measure of this kind. Other countries have had to deal with the evils which have been complained of, which the Bill is intended to remove; but they have dealt with them differently from the manner proposed, and I think that it would be wise for us to follow their example, and to tread the known rather than the unknown path, making haste slowly. We do not know how the Bill, if passed into law, would affect our present conditions, and it is impossible to know how it would affect future conditions. It does not seem to me to provide a scientific method of dealing with our troubles. I would rather have the importation of harvesters prohibited altogether, if that were found necessary, and require a guarantee that similar implements would be supplied to the people of this country by the local manufacturers at fair and reasonable prices, than pass the Bill as it stands. It is an undoubted fact that the competition of imported harvesters with the locally-manufactured article has brought about the introduction of this measure. Although we have heard of other cases of alleged unfair competition, that is the only one which has been specifically mentioned. Had the harvester industry possessed less influence, this measure would not have been introduced. The wildest statements have been made by those who have spoken on the two sides of the question, and it is therefore difficult to arrive at the truth; but the Government are insisting that we shall deal with it with our eyes blindfolded, by pushing the Bill forward when, by waiting a very little time, we could get the evidence

and the report of the Tariff Commission on the subject, and know the actual facts. Although that Commission has been referred to slightly, no other Commission in Australia has worked harder or more honestly, and, while its members have not received much thanks for their exertions, I am satisfied that their report will be of value. When a complaint was made to the late lamented Mr. Seddon about the excessive importations of agricultural machinery and implements into New Zealand, he refused to give the local manufacturers the high protective duties for which they asked, because he saw that such a step would injure the interests of the agricultural classes. Changes are continually being made in agricultural machinery, and agricultural implements wear out very quickly, so that the farmer is put to a large expenditure in maintenance, in addition to a primary expenditure of from £250 to £300 in providing himself in the first instance with the requirements for the working of a farm of 300 or 400 acres. Mr. Seddon would not make the farmers of New Zealand the prey of either outside trusts or inside monopolies, and therefore, while giving the local manufacturers fair play, arranged that the users of implements and machinery should be allowed to buy them at fair prices. Those who have had to do with the passing of many Tariffs, and who were in politics when the high Victorian duties were in force, know that neither outside trusts nor inside monopolies show any consideration for the users and consumers of what they have to sell, but squeeze buyers as much as they can. Mr. Seddon provided that when the local market was in danger of being swamped, and a complaint to that effect was made by two or more manufacturers, the matter should be submitted by the Commissioner of Customs to a Board, and a statement was compiled giving the current price of each kind of implement at the time of the passing of the Act. The Board was known as the Agricultural Implement Inquiry Board, and consisted of the President of the Arbitration Court, the President of the Farmers' Union, the President of the Industrial Association of Canterbury, a nominee of the Trades and Labour Council, and a nominee of the Agricultural and Pastoral Association, so that all parties concerned were represented. If it was proved to the satisfaction of the Board that prices had been reduced by 20 per cent. as a conse-

quence of the operations of importers, he granted a bonus of 33 per cent. to the local makers, and allowed them to import their manufacturing requirements duty free. That seemed to me a much more scientific way of dealing with this matter than that proposed in the Bill. Competition was not prevented, but it was regulated so that the local manufacturers would not be injured, while the farmers could still get their implements at reasonable prices. Without competition, makers anywhere will get careless and slipshod in their work. They will not keep their methods and their machinery up to date, and will do all they can to increase prices. But under Mr. Seddon's legislation prices could not be increased, because there was always the competition of the foreign manufacturers, although it was not allowed to injure the local manufacturers. Mr. Seddon has been claimed as a labour representative; but, although he had the support of the Labour Party, he never ceased to recognise that the productions of the land are the basis of national prosperity. We have yet to fully recognise that in Australia. Moreover, the problems which we have to meet in cultivating the land are much more difficult and complex than are those of New Zealand, where, in many places, there is an average rainfall of 40 inches, and, with decent farming, crops are assured. A hundred miles from the coast of Australia, however, the rainfall is as low as 20 inches, and gradually decreases as one goes further inland, until it becomes next to nothing. In consequence of the scarcity of coastal land, farmers have had to go back into these arid regions and till them as best they may. The arid regions of America comprise 300,000,000 acres, and for years were looked upon as country of which nothing could be made. But within the last four or five years it has been found, as the result of the experiments of scientists and experts, that, with improved methods of cultivation, and the use of imported drought-resisting seeds, fair crops can be got from that country, and a good living made on it. Still, its cultivation requires special implements and machinery, the secret of success there being constant tilling. Moreover, it is a dry land, where the feeding of horses and other animals is very expensive, and therefore the greatest ingenuity has been exercised to dispense with the labour of domestic animals. The American Department of

Agriculture has a Bureau of Rural Engineering which has devoted itself to the perfecting of implements and machinery for working this country.

Mr. BAMFORD.—More Socialism?

Mr. McCOLL.—That is not Socialism, but education. The honorable member is so pushed for arguments in support of Socialism that he will seize upon everything. In America the efforts of Government are directed, not to giving money to the people, but to educating them in every direction, whether in the ordinary primary and intermediate schools, and in the universities, or in the technical schools. On some of the farms engines are being used which make gas from brown coal or oil, and are constructed to feed themselves automatically, whilst last year a Bill was passed permitting farmers to grow sugar-beet and potatoes, and from them to make alcohol, which, when denatured, they can use as fuel for their machinery without payment of excise duty. But if the Bill which we have before us is passed into law and strictly enforced, the importation of such machinery and appliances as they are now inventing in America may be prohibited, as interfering with local production. Surely the House will not permit Australian farmers to be deprived of the advantages to be derived from the researches of the scientists and the ingenuity of the inventors in other parts of the world? The United States has been held up as a shocking example of a country under the thralldom of trusts, and, no doubt, for some years past, the American trusts have been an overruling, arrogant power, looking simply to their own interests, and riding roughshod over the community. But they have their good side. America would not be where she stands industrially had it not been for the operations of these trusts. They ran railroads through deserts in which they had large grants of land, and employed all the resources of wealth, enterprise, and ingenuity to develop the country. These trusts became very powerful and very rich, and they worked things to suit their own ends, but it was not until many years afterwards that any steps were taken to keep them in check or curtail their operations. Our conditions here are quite different. There is no possibility of a trust producing the same evils that have arisen in America. The trusts in the United States of America are able to keep their grip on the country because they control the means

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of transportation by land and sea. Great trusts own the railways and the shipping, and they work in conjunction with each other. They are able to bring over immigrants by hundreds of thousands, and to settle them upon the land, thus retaining their grip of the whole community, and controlling production, trade, and labour. There is no gainsaying that they have worked great harm, but similar results are not likely to be brought about here, because the railways are owned by the State, and no private monopoly of transportation can exist. When I was in America last year, I paid some attention to this matter. I asked some of the people whv they put up with the trusts, and they replied that they had become used to them. They had been brought to regard the condition of affairs as normal, and did not think it necessary to take any steps to combat the combines. One of the largest trusts—the meat trust—operates in this way: It will send a representative into a village or town and invite the local butcher to join the trust, and thus increase his opportunities for making money. The local tradesman may say, "No, I buy my sheep or cattle from the neighbouring farmers, and I shall have nothing to do with you." The first thing the trust does is to start a shop, and, by selling meat at 1 or 2 cents per lb. below the prices asked by the other tradesman, gradually undermines his trade. The trust then sends its agent to the farmers, and offers to buy their stock. The farmers may say that they have been dealing with the local butchers for many years, and prefer to go on supplying them. The trust then says, "Very well, we shall see what will happen to you." As the trade of the local butchers falls away, they can no longer take the farmers' stock. The farmers then have to send their stock to the railways, which refuse to carry it. Eventually both the farmers and the butchers have to knuckle down to the trust. The great power wielded by the trusts is exercised owing to their control of the means of transportation. They could not operate upon similar lines in the Commonwealth. Another evil influence is the enormous power wielded by the trades unions. These organizations have assumed gigantic proportions, owing, in the first instance, to the overbearing disposition of the trusts. The middle classes of the community, who do not belong to either the trusts or to the trade unions, are gradually being ground between the upper and the nether millstone. The Attorney-General,

in his very able and clear address last night, did not appear to be on very sound ground when he stated that we could deal with trusts operating within a single State. He seemed to put that view forward with some hesitation, but was perfectly sure of his footing when he told us that the Commonwealth had authority to deal with trusts whose operations extended over more than one State. It is of no use for us to curb the operations of outside monopolies, if internal monopolies are to be allowed to carry on without hindrance. The position appears to me to be an anomalous one. The Attorney-General stated with perfect clearness that we could not interfere with an individual monopolist. Therefore, whilst two persons joined in a monopoly could be dealt with, they could dissolve partnership, and, by carrying on operations separately, place themselves beyond the pale of the law. The prohibition of importations might lead to undesirable results, because limitation is the very essence of monopoly. This matter presents itself in another aspect. Last year we heard a great deal about Imperial reciprocity. It was suggested that we should enter into an arrangement for a mutually beneficial interchange of goods between Australia and the old country. The late Mr. Seddon, when he acceded to the wishes of the manufacturers of New Zealand, provided not only for their protection, but also for preference to British manufacturers. It seems to me that if any country outside Australia will suffer as the result of this legislation, it will not be the United States, in which labour is highly paid, but Great Britain, where wages are lower, the hours of work longer, and the conditions of labour generally are far below our standard. In America high wages are paid, perfect methods of working are adopted, and the very best plants are employed. I had the privilege of inspecting the Deering implement factory, and I was amazed at the splendid manner in which the work was marshalled. Every man was employed on piece-work, and was working very hard.

Mr. WEBSTER. — I suppose they were going like lightning.

Mr. McCOLL. — Yes, they were hustling a good deal. The honorable member and his friends do not like that kind of thing. They prefer to take it easy. It is important for us to consider how the proposed legislation would affect our relations with the old country. I should like to know

how the Treasurer, who has recently been to England, and who, while there, worthily upheld Australian interests, views this proposal. How can he vote for such a measure when he must know that, if its provisions are strictly carried into effect, British manufacturers will be excluded from our markets. The cry "Australia for the Australians" seems to me to be an unworthy one. It would be a worthy one if we extended it as the Prime Minister once did, but does no longer, to "Australia for the Australians, and for the Empire." The cries "America for the Americans" and "Germany for the Germans" are all right. Those are self-contained countries, whereas we are merely the offshoot of a great Empire. The spirit in which the cry "Australia for the Australians" is sometimes uttered seems to me to savour very much of disloyalty. It is to be noted that the anti-trust legislation in the United States did not originate in the national Parliament. It sprang from the States, and for many years no attempt was made by the national Parliament to deal with monopolies and trusts. The first efforts at legislation in this direction were directed not so much at commerce as at transportation. The subject was a very difficult one, because the trusts, owing to their great wealth, were able to command the State Parliaments, and also a majority in the national Congress. They were thus able to burke discussion and prevent anything from being done to checkmate them.

Mr. MAUGER. — Does not the honorable member think it would be wise for us to prevent any such conditions from arising here?

Mr. McCOLL. — No such condition of affairs is likely to arise here, and we must be careful that the remedy does not prove worse than the disease. Anti-trust legislation has been passed in twenty-two States. The first Act was passed in Georgia in 1877. No further measures were brought forward in any of the States until 1889, when thirteen States passed anti-trust laws. In 1890 five additional States entered upon anti-trust legislation, and in 1891 two others did the same thing. The first Federal Act was passed in the latter year. If we are to check trusts and combines, the Federal and the State Parliaments must work hand in hand. Otherwise the Federal authorities will find themselves powerless to deal with certain combinations operating in a single State to the detriment of the public. It is

provided in the Bill that competition shall be regarded as unfair if it will tend to lower the standard of wages here. I should like to know who is going to fix the standard of wages. Are we to adopt the standard of the Trades Hall, or are we to appoint a Board which will fix a fair wage? Something should be done to define the conditions of labour that are to be maintained, and also to fix the prices to be charged for the goods made by our own people. I believe that it would be very much better to effect the object which Ministers have in view by imposing fair duties, instead of leaving the matter to be dealt with by an individual, or a Board, whose decisions might be beyond control, and might work great harm to the community. If we are to make any progress as an industrial community, we must keep our machinery and plant thoroughly up-to-date. If we rely entirely upon our own people in this regard, they will not prove equal to the situation. The majority of the people of Australia are protectionists, but, at the same time, are not in favour of very high duties. They will support only reasonable duties. In 1891, the late Sir Graham Berry, who was then Treasurer of Victoria, introduced an extremely high Tariff. In a year or two, however, there was a strong revulsion of feeling, and in 1894 the duties were cut down by 20, 30, and 50 per cent. In the same way, if we impose very high duties, the people will resent them, and in the end our manufacturers will suffer as they did in Victoria. Under the Bill no stimulus would be given to our manufacturers. What we should do is to excite competition, and to stimulate our manufacturers to turn out goods that will bear comparison with the best of the world's products. If extremists have their way and our manufacturers can shelter themselves under a high Tariff, all competition will be bludgeoned if this Bill passes as it is introduced, and the people will have to pay dearly for goods of inferior quality. That was the experience in Victoria. Whilst I shall vote for the second reading of the Bill, I shall endeavour to secure a modification of its provisions so far as farming implements and machinery are concerned. I shall also invite honorable members to follow the methods adopted by the late Mr. Seddon in New Zealand, rather than those proposed in the Bill. I recognise that the measure is really one for discussion in Committee, and therefore I shall not absorb any further time in debating its second reading.

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Mr. MAUGER (Melbourne Forts) [9.1].—I have listened to the honorable member for Echuca with very great pleasure, and with very great surprise. Like his *confrères* upon the other side of the Chamber, he urged that this evil should be met by an adequate Tariff, and he then proceeded to point out some imaginary evils that might arise from a defective Tariff. What does the honorable member mean? It appears to me that he has adopted a "yes-no" attitude.

Mr. McCOLL.—It all depends upon what one means by "effective."

Mr. MAUGER.—By "effective" I mean a Tariff that will secure for the Australian manufacturer the home market.

Mr. DUGALD THOMSON.—That is prohibition.

Mr. MAUGER.—The honorable member may call it what he chooses. I want a Tariff that will be effective enough to secure for the Australian manufacturer the home market.

Mr. CAMERON.—The honorable member will not get it.

Mr. MAUGER.—I am quite sure I will not if my honorable friend has the giving of it. I am exceedingly sorry that the honorable member for Echuca should have raised the cry of town *versus* country, because he must know from his own experience that what he calls the "centralized workmen" in Victoria have always been allied with the party which has assisted in every possible way the farming industry. Who gave that industry the benefit of the butter bonus? Who opened up the land and brought about the irrigation schemes in which my honorable friend is so deeply interested? Undoubtedly it was the protectionist party who fought the battle for protection in the city. If anything is of a socialistic character, surely action of that sort is.

Mr. JOSEPH COOK.—The honorable member said the same thing of protection a few weeks ago.

Mr. MAUGER.—I think that protection is essentially socialistic. I do not see how it can be regarded in any other light. I also say that the proposals to which effect was given in Victoria by the very Government of which the honorable member for Echuca was a Minister, emanated from a protectionist party, and that all the privileges which Victorian farmers enjoy to-day were conferred by that party. When the honorable member talks about the workmen who are

centralized in Melbourne being desirous of crushing out the farming industry, he is indulging in so much idle twaddle.

Mr. McCOLL.—I neither said that nor meant it.

Mr. MAUGER.—Did not the honorable member assert that the Bill was introduced in the interests of the centralized workmen, who did not consider the great natural industries of Australia? I contend that he did. His statement was altogether inaccurate, and he knows it.

Mr. JOSEPH COOK.—Will not honorable members be able to get a road built if they vote against the Bill?

Mr. MAUGER.—My honorable friend is looking at this matter through New South Wales spectacles. He is altogether too parochial. This Parliament has never dealt with roads and bridges and culverts, but only with great national questions. The honorable member does not realize what these proposals mean. There is no danger of the farming interests being deprived by workmen in the cities of Sydney or Melbourne of any of the privileges which this Parliament can confer upon them.

Mr. McCOLL.—There is a danger that the farmers will have to pay very dearly for their implements.

Mr. MAUGER.—My honorable friend knows very well that protection does not raise the price of implements to the farmer. He has been a consistent member of the party, which rightly contends that the farmer is better and more cheaply served under a protective tariff than he is under a free-trade system. It is too late in the day for him to turn a somersault upon his own principles, and I sincerely hope that he has no desire to do so. I have heard him telling the farmers from the public platform that if adequate duties were imposed, their machinery would become cheaper, they would be able to get the parts which they desired more readily, and that not only themselves, but the community generally would be benefited in every way. Why is he raising a bogey now?

Mr. McCOLL.—I was discussing the Bill.

Mr. MAUGER.—The honorable member went on to say that we had not reached the stage in Australia when such legislation as that proposed in the Bill was required. Just imagine us waiting until Melbourne was burnt down before we established a fire brigade! I am aware that the illus-

tration is a familiar one, but it is, nevertheless, a good one. The devastating influence of trusts in America is not one whit less than that which would be occasioned by a fire in Melbourne. As late as the 6th January, 1903, Senator Hoar, speaking in the American Senate—the quotation is taken from a very excellent State paper which was laid upon the table of the New Zealand Parliament some time ago, and which was sent to me by the late Prime Minister of that country, Mr. Seddon—said—

Happy is the people whose statesmen foresee and prevent grievances instead of waiting to experience them and to cure them. In dealing with this trust problem, and the dangers of vast accumulations of wealth in private hands, we are seeking to lay down beforehand the law of a healthy national life, and not groping after the cure of a deadly sickness when once it has laid us on a bed of trial.

I quite recognise with the deputy leader of the Opposition that the day of combinations and corporations has come to stay. It would be quite impossible under our present complex industrial and commercial conditions to conduct business without them. I have in my mind's eye a very striking illustration of that fact. Some fifteen years ago the ironmasters of Melbourne determined to form a trade combination. One of the most successful houses which was presided over by one of the most reputable men in Victoria declined to join it. Last year, after struggling for about fifteen years, that house failed with a tremendous deficit. I realize that just as trade unions are essential for the success of corporate labour, so combinations are necessary for the success of commercial life. What would the banks or the insurance companies do without their corporations? I recognise that corporations are necessary, and this Bill does not attempt to abolish them. If it did, it would be simple madness to endeavour to give effect to it. All that it asks is that reasonable power shall be given to the Minister to prevent dumping and the destruction of our local industries.

Mr. JOSEPH COOK.—Does the honorable member believe in nationalization?

Mr. MAUGER.—I believe with Frances Willard that, in the fullness of time, great changes, of which we do not dream now, must come about. She said—

I would take not by force, but by the slow process of lawful acquisition, those great trusts and combines which are proving such a menace to the people of America. I would

nationalize them. I would use all their magnificent machinery, all their magnificent organization and combination, not for a few shareholders, but for the benefit of the people of this great Continent.

The same writer also pointed out that the future will unfold problems of which we little dream. I think it is a mistake for any section of the community to label themselves by any name whatever, because it often means a great deal more or less than they intend it to convey. Every proposal, coming from whatever quarter it may—whether it emanates from the Trades Hall or from the commercial institution of which the honorable member for Kooyong is so proud to be a representative—should be judged entirely upon its merits, and the test to be applied to it should be "Will it, in the last resort, be for the benefit of the vast majority of the people?"

Mr. JOSEPH COOK.—That is the whole question.

Mr. MAUGER.—I recollect a speech which was delivered by Mr. John Burns, in the course of which he spoke of the time when there would be universal co-operation. An excited auditor thereupon asked, "Will you name the date, John?" His very thoughtful and telling reply was, "As soon as we have the co-operators." That is just my position. I believe that as men become better educated, wiser, and obtain a better knowledge of their possibilities, many of the evils existing at the present time will no longer be tolerated, and some system of co-operation will take the place of the present impossible cut-throat competitive system. I do not support this Bill because I am opposed to organizations *per se*. I am not. I believe, with the honorable member who spoke last, that these trusts and combines have taught us a very great lesson. They have taught the value of organization and concentration, and how much can be saved by those methods. I believe, and my belief is backed up by the conclusions of the last Conference of Trades Unionists held at Chicago, that in many cases combines have tended to the bettering of working conditions and the raising of wages. That can be proved beyond the shadow of a doubt. But I cannot get away from the appalling facts revealed in this paper, to which I earnestly direct the attention of honorable members. I find the following statement made:—

Judge Grosscup, on the 18th February, 1903, gave a decision against the Meat Trust, and

among some of the charges he considered as proved being "in restraint of trade" between States were: The combining firms had forced down live-stock prices by agreeing to refrain from bidding against each other in the market; they had regulated selling prices; they had bid up the prices of cattle to stimulate shipment; they had limited the quantity of meat shipped to agents. Whether such practices are harmful in themselves or not the result seem to have been that the profits of the Meat Trust in 1901 amounted to nearly \$100,000,000 more than in 1900, whilst the price of meat to the public increased by 3 to 5 cents. This is an example how a combination can affect the price of commodities. Wages, however, do not rise in the proportion the price of commodities can be made to do. Two hundred and fifty thousand organized workmen of New York received between the years 1897 and 1901 a total advance in wages of 7 per cent. (to be exact, 7.4 per cent. See "State Bureau of Labour Statistics.") The prices of commodities rose from July, 1897, to July, 1901, about 27 per cent. From the 2nd January, 1902, to the 2nd January, 1903, the price of beef rose 40 per cent., thanks to the Meat Trust. (These figures are those of the Treasury Department.) So that labour was powerless to increase its wages as capital had increased the price of commodities. Moreover, ground-rents near the great cities rise year by year, and the workman has to pay an increasing tax to landlords without an increase in value received, to the further depreciation of the apparent advance in wages.

I could give a number of similar quotations, which go to prove that there are trusts in America doing their blighting, deadly work in a way we ought to dread even to think of. It is because I wish to prevent a similar state of affairs arising in Australia that I think there is a need for such a Bill as this.

Mr. CAMERON.—I thought the prosperity of America was due to her Tariff.

Mr. MAUGER.—If America were not in a prosperous state, such a condition of things could not exist. That it does exist proves conclusively the commercial prosperity of the country. But it is not always the greatest amount of wealth that produces the greatest amount of happiness. It is wealth best used which is the test of genuine prosperity. I think it is Ruskin who says—

That land is greatest which nourishes the largest number of happy, contented human beings.

And there can be no happiness or contentment under such conditions as those to which I have referred.

Mr. JOSEPH COOK.—I notice that all the honorable member's authorities are sound economists—Ruskin and Frances Willard, for example.

Mr. MAUGER.—They are sound economists, and that is perhaps more than all my companions are. However, I do not desire to bring up the past. I have no wish to think of the time when the deputy leader of the Opposition was a protectionist. I prefer to look forward to the time when the honorable member will be a protectionist again.

Mr. JOSEPH COOK.—Does the honorable member remember the time when Socialists were described as “spielers”?

Mr. MAUGER.—I should like to point out that although there is in Canada a very much higher Tariff than I am afraid we can hope to get in Australia — and I should very much like to be able to secure a Tariff as high as the Canadian Tariff—they have found such legislation necessary. In the last session of their national Parliament, the Canadians passed special legislation dealing with dumping, and directed even against Great Britain. Yet no one will charge the Canadian people with being disloyal.

Mr. WILKS. — Their special legislation was to raise duties.

Mr. MAUGER.—It was passed to deal with dumping, and especially dumping on the part of British manufacturers. It was urged that whilst Canada was prepared to deal with Great Britain in preference to her next door neighbour, the United States, or any European country, the Canadian workman must not be brought down to the level of the British workman, as indicated by the last speaker. The honorable member for Echuca has just been to England, and has also visited America. He knows all about Canadian conditions, and urges as a reason for opposing this Bill that the wages paid to artisans in England are so much lower than those paid in America, that the effect of the measure may be to press heavily upon the people of the old country. He has contended that it is un-British and disloyal, that the measure is a cut against the old country, and has pointed out that American artisans are better housed, clothed, paid and educated than are British workmen. That is a reason which the honorable member advances why this measure ought not to be placed on our statute-book. It is a most remarkable reason, coming from a protectionist. I could understand it from the leader of the Opposition or from honorable members opposite, but I fail to understand it from an honorable member who professes to be a protectionist, and whose

theory is that the Australian workman ought to be protected from the low wages which he has pointed out are paid in Great Britain. One other matter to which I should like to direct attention is that the opposition to this measure comes with very bad grace from honorable members who took great pains and went to no end of trouble to prevent trade unions becoming so strong as to be able to dominate those outside trade unions. Honorable members urged that if trade unions were not checked and certain steps were not taken, no end of harm would follow, and when we propose to apply the same reasoning to these great trusts we are told that all sorts of bogus dangers are going to overtake the Commonwealth. The honorable member for Echuca said, amongst other things, that the cry “Australia for the Australians” is disloyal. I cannot for the life of me understand how he arrives at that conclusion. If Australia is not going to be loyal to itself, and is not to be for Australians, who is it to be for—for the foreigner, the American, or the German? The honorable member says that we should say “Australia for Australians and the Empire.” Surely he must see that we can be of very little use to the Empire unless we are strong in ourselves? Unless we are strong in our commercial and industrial life we can render very little assistance to the Empire. We were able to help the Empire in her time of trial, because we had strong, stalwart sons who had grown up under the southern skies under wholesome conditions, and who therefore were in a position to help her. If we are to make of them only hewers of wood and drawers of water, they will not be able to help the Empire in the hour of difficulty. I say that “Australia for Australians” is a national cry, a fair cry, and a loyal cry, and it ought to be supported by every true Australian.

Mr. KELLY (Wentworth) [9.27].—The honorable member who has just resumed his seat can always be trusted to put the tenets of his fiscal faith in the most appetizing way. I do not propose, in a discussion of this Bill, to be led into any of the by-paths of the fiscal question, but there were one or two things said by the honorable member upon which I feel it is the duty of a free-trade representative to offer some observations. In the first place, the honorable member seemed to claim, on behalf of the party to which he belongs, all the benefits enjoyed by the farmers throughout Aus-

tralia. I believe that the reason why the farmers of Victoria have been protectionists in the past is that they believed that the establishment of industries in the State under a system of Tariff protection would bring to Victoria a new market for themselves in the employés who would come to Australia to be engaged in those industries. The new protection, however, now tends to prevent immigrants landing.

Mr. MAUGER.—I did not say a word about the farmers being protectionists, and the honorable member has lost the whole point of my remarks.

Mr. KELLY.—The honorable member's remarks were not so pointed that it was easy to understand them, but I gathered from him that he claimed that the farmers of Victoria have received all their benefits at the hands of protectionists and protection.

Mr. MAUGER.—At the hands of the protectionist party.

Mr. KELLY.—Then we have the definite statement that they did not receive them at the hands of protection? The honorable member, in quoting the anti-dumping precedents of Canada and other parts of the world, asked why, if Canada had passed anti-dumping legislation, we in Australia should not pass similar legislation. I say frankly that if we are to have anti-dumping legislation, and a majority of honorable members seem to think we should, the precedent which Canada has set us is an infinitely more honest, open, and straightforward way of dealing with the matter than the method proposed in this Bill. The Canadian Act provides roughly that whenever it appears to the satisfaction of the Minister of Customs that the export price of any article imported into Canada is less than the fair market value in the country of origin, such article shall, in addition to the duty otherwise established, be subject to a special duty of customs equal to the difference between such fair market value and such selling price. That is a fair way to deal with the alleged evil of dumping. If it is found that goods are being sold in Canada for less than in the United States, a special duty is put on to meet the case. The Canadian Parliament decides what is to be done in these emergencies, and prescribes what action the Minister shall take. But in this Bill we are asked to forego our privileges, and to allow the Minister to say what shall be done. In pointing to the Canadian precedent, the honorable gentleman who last

addressed you, sir, did us a service, because the method adopted in Canada is much more straightforward and adaptable to the circumstances which have to be met than is that now proposed. I deeply regret that, throughout this discussion, the House has found it difficult to arrive at a true estimate of the scope of the measure. The Minister who introduced it dealt at length with a number of the cases which it is intended to meet; but, in his anxiety to hit certain political rivals, forgot to explain its scope; while, last night, the Attorney-General gave a lucid exposition of the meaning which he attaches to each of its clauses, and explained what he would do if he had to administer them, but did not tell us exactly what is comprised by the measure. To show that those who are most interested are firmly of opinion that the Bill requires the fullest consideration, and the frankest criticism and scrutiny, I propose to read a telegram received this afternoon from the Sydney Chamber of Commerce, and signed by its acting-president. It is as follows:—

Chamber condemns Anti-Trust Bill as excessively hostile to trade, and tending to disturb the whole foundation upon which commerce rests and always has rested. Are certain the results of such a Bill passing will not only be the abandonment of many useful and almost indispensable industries, but block any introduction of capital and immigration. Every effort should be made to defeat its passing. Consider it quite unworkable.

The telegram concludes with the statement that the report of the sub-committee is being forwarded.

Mr. FRAZER.—Has any Bill been introduced by this Government which they have not condemned?

Mr. KELLY.—If I were in order in doing so, I could mention a large number of Bills which have not been so condemned, and have been supported by every party and every industry in the State. Surely the opinion of those who will have to work under the Bill is entitled to respect at our hands. The honorable member for Kalgoorlie may have a lofty contempt for the members of the Chamber of Commerce, but, as a deliberative assembly which has in its keeping the progress and prosperity of Australia, we should pay attention to all the information brought before us, whether coming from experts, or merely from interested political parties. The Government have not put us in a position to exercise the

scrutiny which the Bill requires. There was a curious difference between the methods of the Minister of Trade and Customs and those of the Attorney-General. The former hit out recklessly—I use the word advisedly—at his political rivals and enemies.

Sir WILLIAM LYNE.—I would rather do that than stab them under the fifth rib.

Mr. KELLY. — The Attorney-General preferred not to stab them at all, and said, in effect, that he would rather not speak of the matters with which the Bill is supposed to deal, because so many of them are *sub judice*. I do not know if his colleague regards that as a reflection on his action in bludgeoning those concerned in those cases, but it seemed so to me, and to others on this side of the House who have so tender a regard for him.

Sir WILLIAM LYNE.—They would bludgeon me if they got half a chance.

Mr. KELLY.—To whom does the honorable member refer?

Sir WILLIAM LYNE.—To the honorable member's friends the trusts.

Mr. KELLY.—Here is a pretty state of things! An honorable member has only to ask the Minister to explain a measure of which he is in charge to be accused of being a friend of the "criminals" with whom it has been introduced to deal. Last session the Minister of Trade and Customs, or the Prime Minister, explained that the real urgency of the measure lay in one case, and that the Bill had been introduced to deal with the importation of harvesters and nothing else.

Sir WILLIAM LYNE.—I did not say nothing else.

Mr. KELLY.—It was that matter which made the measure an urgent one, we were told.

Sir WILLIAM LYNE.—No.

Mr. KELLY.—Then the pages of *Hansard* must be misleading.

Sir WILLIAM LYNE.—It was not the sole reason for urgency.

Mr. KELLY.—In that particular matter lay the extreme urgency of the measure. That was why it was thought that it should have been passed last session. Last night, however, the Attorney-General told us that, while only extraordinary developments of trade were proposed to be dealt with under Part III., they were altogether too numerous to allow Parliament itself to deal with them. Here we have another curious difference of opinion

between two responsible Ministers. These numerous differences lead me to ask, with the utmost respect, whether the Bill has received the corporate consideration of the Cabinet. Still, as it is not in many of its provisions a party measure, I do not propose to approach its consideration in a party spirit, and therefore shall not labour the question. I wish, however, to deal briefly with one curious point in the speech of the Attorney-General. According to the *Melbourne Age*, which usually reports him fairly, he said—

Those members who were strong in support of individual liberty should assist the Government in passing this Bill, because it was a measure for the maintenance of true individualism.

The Attorney-General asks honorable members on this side of the House to support the measure as one which will increase private enterprise; and, at the same time, we are told that the Bill has the support of the party which has sworn to stamp out individual enterprise, so far as it is possible for it to do so.

Mr. CARPENTER.—That is incorrect.

Mr. KELLY.—Am I to understand that my honorable friend is no longer a Socialist?

Mr. PAGE.—What nonsense!

Mr. KELLY.—I believe that the honorable member has subscribed to an objective which aims at the nationalization of all the means of production, distribution and exchange.

Mr. PAGE.—The honorable member is a bit too previous.

Mr. KELLY.—Then I take it that the honorable member will not indorse that objective?

Mr. PAGE.—The honorable member will take what he can get.

Mr. KELLY.—It is hard to draw my honorable friend; but the Federal Labour Party of Australia has indorsed a socialistic objective, and its members having done so, must, therefore, be Socialists. As Socialists, the majority of them are warmly supporting a proposal which, the Attorney-General says, is worthy of the support of every individualist in the Chamber. This is a curious state of affairs. The honorable and learned gentleman either had his tongue in his cheek when he was talking to us, or he was fooling his supporters in the Labour corner.

Mr. CARPENTER.—Those on the Opposition side of the Chamber are demoralized,

and do not know where they are in respect to this Bill.

Mr. KELLY.—The honorable member's party is, no doubt, better seized of the actual scope of the measure than is that to which I have the honour to belong, but I believe that they have received private assurances as to its effect, while we have only the utterances of Ministers in this Chamber. There is something sinister in the change of attitude towards the Bill on the part of those in the Labour corner. Last year they were singularly anxious as to its scope, and wished to know if it would affect the large organizations of which they are members; but that anxiety was completely dissipated before the introduction of the Bill this session. Therefore, I infer that honorable members in the Labour corner have privately become better seized of the actual scope of this measure than have honorable members on this side of the House. The Bill is in three parts. The first portion is simply preliminary. With the objects of the second part honorable members on this side have no quarrel. It deals with the repression of monopolies, and members of all parties desire to make the provisions adequate, while not too comprehensive. The third part of the Bill, to which a certain section of the Opposition is absolutely opposed, should not distract our attention from the good objects which are sought to be attained by other provisions in the measure. So far as the repression of local trusts is concerned, I am sure that the Minister knows that he will have the support of every member of the Opposition. We should first of all, however, be informed as to what these proposals really amount to. A number of terms have been used, which, so far, have not been explained, and unless we receive some enlightenment with regard to them, it will be impossible to avoid a large amount of useless discussion in Committee. The Minister of Trade and Customs was asked, by the honorable and learned member for Corinella, for an explanation of one or two provisions of the measure. He seemed to think, however, that his duty to the House would be discharged if he refused to give a simple answer to a simple question until he made his general reply at the close of the debate. That might be an appropriate attitude to adopt in respect to a bitterly controversial measure,

but I do not think that the Minister was justified in assuming that position towards an honorable member who is sympathetic to a measure which is not controversial in all its aspects. All we know, with regard to the second part of the Bill, is that it is based on the Sherman Act of the United States. To those who wish to see anti-trust legislation made effective, that fact does not convey very much comfort, because we know that the Sherman Act has absolutely failed to accomplish the object with which it was designed. When the Act was introduced into the United States in 1890 trusts and combinations were in their infancy. Now, after the Act has been in force for sixteen years, they are in full operation, and have become a by-word throughout the civilized world. All that we know at present is that the Act upon which this measure has been framed has proved a failure. We know, in a vague way, the ends that the Bill is intended to accomplish. The Attorney-General has explained some of the objects, and has told us how he would administer the measure. As a deliberative assembly, however, we are concerned, not so much with the intentions of the Ministry, as with the manner in which those intentions are expressed in the measure. We should assure ourselves that our intentions are made clear, and that they cannot be distorted. Our Courts of Law will not hear evidence with respect to the reasons which led up to the framing of any Statute. They simply take the Statute as it stands. Therefore, we must be absolutely certain that, by the time the Bill leaves this Chamber, it will clearly express our intention, and nothing more and nothing less. Several terms are used which require to be carefully defined. The second portion of the Bill deals, as I have said, with "the repression of monopolies," but the measure contains no definition of the term "monopoly." It is presumed that the repression is intended to apply to bad monopolies, but the Socialist Party seem to think that all monopolies are bad, because one of the planks of their platform aims at the nationalization of all monopolies.

Mr. WEBSTER. — The honorable member is again indulging in misrepresentation.

Mr. KELLY.—I do not suppose that the honorable member will deny that there is a plank in the platform to which he subscribes which aims at "the nationalization of all monopolies."

Mr. POYNTON.—All monopolies which are injurious to the public interests.

Mr. KELLY.—The platform does not contain any qualifications. It aims at the nationalization of all monopolies, and we may assume that the members of the Labour Party imagine that all monopolies are harmful in their action. It is singular that the party whose object it is to convert the State into one huge monopoly should think that abuses arise in connexion with all monopolies. These gentlemen will probably be the administrators of the co-operative Commonwealth—if such a thing ever comes to pass. Are they so conscious of their own frailties that they imagine that their own monopoly will be the subject of abuse? If, on the other hand, they hold that their own monopoly will be free from all abuses, they must admit the possibility of other monopolies also being beneficent. If we once admit the possibility of some trusts and monopolies being beneficent in their operation, we should do something to differentiate between good trusts and bad trusts, and good monopolies and bad monopolies. I hope that honorable members will insist upon a clear definition of the term “monopolies” being inserted in the Bill. The members of the Labour Party have for years past enlarged upon the iniquities of the tobacco monopoly, and yet their own partisan Commission have declared that the tobacco monopoly is only “a partial monopoly.” They have explained that this hideous octopus that has been represented as holding within its grasp all the tobacco interests of the Commonwealth is only a “partial monopoly” — that it controls only a little more than three-quarters of the plug tobacco trade, less than one-half of the cigar trade, and only three-quarters of the cigarette trade. Is it intended that the Bill shall deal with partial monopolies? If honorable members consult a dictionary they will find that the term “monopoly” does not mean a partial monopoly, and therefore, unless we clearly define what we mean, the Bill might not apply to the tobacco monopoly.

Mr. PAGE.—Does the honorable member want the Bill to apply to partial monopolies?

Mr. KELLY.—I want it to regulate any kind of combination or trust that is harmful.

Mr. PAGE.—The Bill can easily be amended to provide for its application to partial monopolies.

Mr. KELLY.—I am merely pointing out that the Bill does not contain any definition of the term “monopoly.” To the mind of a Socialist, a monopolist is any one who possesses anything worth having.

Mr. PAGE.—The honorable member knows that that is not right.

Mr. KELLY.—I do not suggest that the honorable member wishes to possess anything belonging to another, or that he would seek to obtain it unfairly, but the honorable member's associates in the Labour Party are, for instance, constantly referring to the land monopoly in Queensland.

Mr. PAGE.—There is plenty of land there for those who want it.

Mr. KELLY.—I am glad that my honorable friend is so frank. Other members of his party are constantly declaiming against land monopoly in Australia. And yet the land monopolist in Australia does not hold all the land in his own grasp, and refuse to part with any of it. He happens to be a man who has had the foresight and industry in the course of his pioneering work to possess himself of some of the best land in the Commonwealth, and who is not prepared to forego all his rights of ownership for less than the fair market value of his property. He will not refuse to part with his land under any conditions, but will stand out for its fair market value. The terms “monopoly” and “monopolist” have been so loosely used that if the House wishes to clearly express its intentions we shall have to use explicit language in the Bill. If it is proposed to deal with every kind of monopolist in Australia, and we adopt the Labour Party's definition of the term, we shall be kept very busy. There are monopolists even in the labour ranks. I know of a monopolistic labour press which has the sole right to report the proceedings at all labour conferences. Is that hateful monopoly to be allowed to continue?

Mr. PAGE.—The honorable member knows more than I do.

Mr. KELLY.—Does not the honorable member know that the Labour Conferences have for some years past declined to allow any press representatives other than those of the labour organs to be present at their conferences?

Mr. PAGE.—No. At every conference at which I have been present the repre-

sentatives of the press have been freely admitted.

Mr. KELLY.—Then the honorable member has not attended any of the New South Wales Labour Conferences. Then again, there are many labour men who have turned lawyers, and many lawyers who have turned labour men, in order to obtain a monopoly of the briefs for labour in the Arbitration Court. Is that hateful monopoly to be allowed to continue? I merely put forward these considerations with a view to show that we entertain extremely vague impressions as to what constitutes a monopoly. Again, there are certain philosophic radicals who callously hang on to monopolies in constituencies like Clifton. Are these gentlemen to be allowed to breathe the same air as those disinterested patriots who wish them to go forth as the advance agents of the Labour Party in other electorates, and give them a chance in their own?

Mr. MAUGER.—What is the honorable member giving us?

Mr. KELLY.—I am giving certain reasons which should make the honorable member seriously consider whether he understands this Bill?

Mr. TUDOR.—Where is Clifton?

Mr. KELLY. — The honorable member knows perfectly well that it is the anxiety of the party to which he belongs to upset the monopoly which the honorable and learned member for Northern Melbourne is suspected of enjoying in that locality. The word "monopoly" must be clearly defined. The same remark is applicable to the term "restraint of trade." In this connexion I desire to make a brief reference to the shipping combine. Some of the actions of that combine may be bad, and others may be good, but before the Bill reaches the Committee stage I wish the House to consider carefully which of its actions are bad and which are good. In the first place, I would point out that the combine insures the regular sailing of vessels between various ports of the Commonwealth. Is that a restraint of trade which this House desires to see penalized?

Mr. KENNEDY.—It would not be a bad line if the honorable member read the Bill.

Mr. KELLY.—Does the honorable member for Moira, after having read the Bill, think that the term "restraint of trade" is so well understood as not to require a clear definition?

Mr. KENNEDY.—The case presented by the honorable member would not be put forward if he had read the measure.

Mr. KELLY.—I have read it with extreme care, and others whose interests depend upon it have seen fit to send a long wire protesting against its passage. No doubt the honorable member is thoroughly satisfied, from his brief perusal of it, that the Bill is everything that his intelligence can desire. There are others, however, who are equally intelligent, and equally capable of forming a correct judgment of legislative enactments, who are profoundly dismayed at the prospect of its passing.

Mr. KENNEDY.—Not upon the hypothetical case set up by the honorable member.

Mr. KELLY.—I may tell the honorable member for Moira that I have had that very hypothetical case presented to me. Under the Bill a combination of shipping companies, for whatever object, would be for the purpose of restraining trade.

Mr. KENNEDY.—But the Bill contains the qualifying words "to the detriment of the public."

Mr. KELLY.—I wish to know what those words mean. Do honorable members think that a combination of shipping companies, to insure the regular sailing of vessels, would be to the detriment of the public?

Mr. KENNEDY.—The argument is too absurd to seriously consider.

Mr. KELLY.—The authority which is to decide whether combinations are detrimental to the public is a jury. Let us assume that the agriculturists of South Australia or Victoria who are anxious to supply the Western Australian market with their produce, entered into some arrangement with the shipping companies, under which they gained the advantage of low freights to assist them in their very laudable ambition. Would such a combination be prejudicial to the public interest, and, therefore, subject to penalties under this measure?

Mr. CHANTER.—The shipping ring will take care that the farmers do not secure low freights.

Mr. KELLY.—I can tell the honorable member that there are some other persons who will endeavour to prevent them from doing so. In Western Australia the agriculturists are keenly interested in maintaining the shipping rates as high as possible, in order that they may prevent the produce of the eastern States from entering into competition with them in their own markets. Would it be a combination "detrimental to the public interests" if the Western Australian farmers combined

with the shipping companies to maintain high freights upon produce from South Australia or Victoria? If so, how is the matter to be determined? If the case were tried in Western Australia, a jury in that State would no doubt declare that low rates of freight were detrimental to the public interest, whereas, if it were tried in Victoria, we should be told the reverse. Thus the verdict arrived at will depend entirely upon where the case is tried. In this connexion, let me instance the coal trade between New South Wales and Victoria. The Victorian collieries are vitally interested in keeping the rates upon coal between Newcastle and the southern coal ports of New South Wales and Melbourne as high as possible. Upon the other hand, the New South Wales collieries are equally interested in securing the lowest freight. If any of these collieries entered into an arrangement with the shipping companies regarding the freight to be charged upon coal, would that be a combination detrimental to the public interest? In this instance, as in the other illustration which I gave, the decision would depend entirely upon where the case was heard. Consequently, I hold that honorable members should be given a proper explanation of this portion of the Bill before it reaches the Committee stage. It is a curious thing that all the parties who attended the South African Shipping Conference, which was held some years ago, made it a condition precedent to any action being taken by that body, that freights should not be fluctuating. How can we prevent freights from fluctuating except by combination? Personally, I do not agree with the decisions in this regard arrived at by the South African Conference. I prefer to see open competition working out the freights upon economic lines. But still, the considerations which influenced that Conference in coming to its conclusions should be worthy of our attention, even if they do not secure our indorsement. There is just one other matter in connexion with this portion of the Bill to which I desire to direct attention. Of course, the common carriers of Australia—the great railway systems of the Commonwealth—will be immune from the operations of this Bill. I should like to ask the Minister if that is not so?

Sir WILLIAM LYNE.—Does the honorable member call them a trust?

Mr. KELLY.—I do. Will they come within the provisions of this measure?

Sir WILLIAM LYNE.—My impression is that they will not.

Mr. KELLY.—There is no doubt that there is a combination between the railway managements of the different States regarding the rates to be charged upon certain goods.

Sir WILLIAM LYNE.—Why did not the Opposition assist me to pass the Inter-State Commission Bill when I brought it forward?

Mr. KELLY.—The Minister is prepared to discuss anything except the Bill that is under consideration.

Sir WILLIAM LYNE.—I have stated my impression, but I have not looked into the matter to which the honorable member refers.

Mr. KELLY.—I cannot myself see how they can, constitutionally, be brought under the Bill. Those in charge of these railways could not be prevented from cutting rates and arranging freights in any way they pleased, whilst the sea-carrying companies, who must compete with these land common carriers, are to be prevented from cutting rates and arranging freights. The managers of the States railways can enter into any combination they please, and can arrange a vast Australian trust, without coming under this measure, though a considerable proportion of the Inter-State trade of the Commonwealth, which is one of the few things over which we have power, is carried on over the States railways. Whilst those in charge of the States railways may do this with impunity, those controlling the carriage of goods by sea will be penalized under clause 6 of this measure, if they attempt to arrange freights and cut rates. That is an anomaly worthy of the consideration of the House. I ask what is a "restraint of trade?" I wish to ask honorable members of the Labour Party whether they think that the corporations to which they belong, the great industrial organizations and trade unions, of which they are members, are trusts within the meaning of this Bill, and whether some of their actions might not constitute a restraint of trade? My honorable friends are always dealing in words, and I direct their attention to the definition in this Bill of a "commercial trust," and remind them that, wherever the term is used in this measure, this is one of the things meant.

Commercial Trust includes a combination whose voting power or determinations are controlled by the creation of a board of management or its equivalent.

I should like to know whether the determinations of a trades union are governed by a board of management or its equivalent.

Mr. PAGE.—They generally are.

Mr. KELLY.—Then, according to this definition, they constitute a "commercial trust."

Sir WILLIAM LYNE.—But they do not bring down wages; they put them up.

Mr. KELLY.—The Minister's interjection only helps us further. We may assume that trades unions constitute a "commercial trust" under this Bill.

Sir WILLIAM LYNE.—Who says so?

Mr. KELLY.—The Bill says so, and includes them specifically. A trade union decides, we will say, on preference to unionists, which is undoubtedly a restraint of trade.

Mr. PAGE.—Why is the honorable member "stone-walling" the Bill?

Mr. KELLY.—I am not "stone-walling" the measure, but I am trying to make honorable members recognise the necessity of reading it. Apparently, my honorable friends appear to think that the moment one asks their attention to a matter of public concern one is doing them some injury. Has the honorable member for Maranoa read this measure?

Mr. PAGE.—Yes.

Mr. KELLY.—I think it is evident that some honorable members have not read it. A trade union, which is a "commercial trust" under this Bill, decides, through its board of management, to exact preference to unionists. I do not propose now to deal with the question whether preference to unionists is good or bad, but it undoubtedly constitutes a restraint of trade. It may have the effect of limiting output, and so disturbing trade at its very fountain-head. In so far it is a restraint of trade, and honorable members who are members of these organizations, if they do not look to it, may, as a result of the passing of this measure, be penalized in a way the House does not intend.

Mr. PAGE.—It would not be a commercial transaction.

Mr. KELLY.—Is it not a commercial transaction for any man to sell his labour?

Mr. PAGE.—The trade union does not sell his labour.

Mr. KELLY.—If the union refuses to sell his labour or to permit any one else to do so, unless certain conditions are enacted, is not that a restraint of trade? If a huge

conspiracy is formed to prevent any man selling his labour, unless upon compliance with certain conditions, in which other people believe, is not that a restraint of trade?

Mr. PAGE.—No.

Mr. KELLY.—The point is worthy of the honorable member's consideration. Then there is another point in connexion with this part of the Bill which I wish made clear, and that is the meaning of the phrase "to the detriment of the public."

Sir WILLIAM LYNE.—It is highly to the detriment of the public that the honorable member should be wasting so much time.

Mr. KELLY.—I think I may here fittingly pay some little attention to the Minister of Trade and Customs. The honorable gentleman who talks about wasting time when an honorable member addresses himself seriously to the consideration of this question should be careful that he is not throwing stones from a glass house. He addressed himself last week to an explanation of this measure, and all that he succeeded in doing was to make a number of misrepresentations and a number of misstatements of fact, unintentionally, I daresay, which do not reflect credit upon his preparation of his speech or his knowledge of the business with which he was dealing. Quoting from page 247 of *Hansard*, I find that the honorable gentleman made the following statement in referring to the Massey-Harris harvester—

It has been stated that in pushing the machines commissions to the extent of £26 and £30 have been given for selling single harvesters, which it has been said only cost £40 each.

Sir WILLIAM LYNE.—That is right.

Mr. KELLY.—The honorable gentleman now repeats the statement. We have claimed that before dealing with a matter of that kind the House should be given an opportunity of making itself conversant with the Tariff Commission's report. Now even the Minister would appear not to have taken the trouble to do so.

Mr. DUGALD THOMSON.—I understood the honorable gentleman to say that that was in the Tariff Commission's report.

Mr. KELLY.—Then I am afraid that the honorable gentleman's facts are not such as are usually given to a House of Parliament by a responsible Minister. There was an exhibit marked No. 3, submitted to the Tariff Commission by the companies interested, which set out the

actual expenses in connexion with harvesters from the moment they left the factory to the moment they reach the consumer in Australia. This sworn exhibit was within the Minister's reach, but he had not the energy or public spirit to find it, and made a completely misleading statement to the House. So far from the commission granted being £26 or £30 on an article valued £40 the commissions granted averaged £6 os. 9d. on an article that costs £38.

Mr. WEBSTER.—What is the article sold at?

Mr. KELLY.—I will give the honorable member the whole of the facts from the statement sworn to before the Tariff Commission. These are the figures. The invoice price at Toronto is £38 os. 3d., the import charges amount, in all, to £20 1s. 1d., and include charges for packing, inland freight, Toronto to New York, ocean freight, insurance, wharfage, stacking, cartage, and receiving and Customs duty, 12½ per cent. on £38 plus 10 per cent. That makes the total cost of a machine landed on a Melbourne wharf £58 1s. 4d. The setting-up, warehouse, and shipping expenses amount to £2, and selling expenses include commission, £6 os. 9d.; and then there are salaries of local agents and travellers, amounting to £3 17s. 1d.; and travelling expenses of local agents and travellers, amounting to £2 9s. 10d.; making, all told, £66s. 11d. for expenses of local agents and travellers.

Mr. WEBSTER.—In addition to the commission?

Mr. KELLY.—As the honorable member must be aware, that is entirely separate from the commission, and, even though it were not so regarded, the amount would then be only £12 odd on a machine costing £38, and not £26 or £30 on a machine costing £40, as the Minister told us was the case. These are the figures of a sworn return furnished to the Tariff Commission. Yet the Minister, who is so adverse to a consideration of this Bill, managed to misrepresent the facts, and say that the commission paid amounted to more than the total cost.

Sir WILLIAM LYNE.—The commission and cost is what I said.

Mr. KELLY.—*Hansard* has a better memory than has the honorable gentleman! The Minister has had an opportunity of seeing that *Hansard* has reported him correctly, and has decided to permit the report to stand. He now says that the

amount to which he referred covers commission and extras, but *Hansard* reports the honorable gentleman as having said that "commissions to the extent of £26 or £30" have been given for the selling of a single harvester. When he now discovers the facts with which he should have been conversant in the first place, he tries to hedge, and to escape responsibility for giving the House false information. I hope that, considering the way in which he has wasted the time of the House, he will not further worry other honorable members in the performance of their public duty. There is another point in the Bill which I wish to have explained, and that is what is meant by the order of the words in the phrase, "producers, workers, and consumers." All through the Bill these three separate sections of the community are named in that order. Is that intended to give an indication of their relative importance in the community? Are we to consider the producers as more important than either the workers or the consumers? I also wish to have it clearly laid down in Committee whether "producers" in this connexion means producers in general or only the particular producers affected in the matter in dispute. Because honorable gentlemen will see that, if these clauses are applied to small isolated bodies of producers, the Bill will be absolutely prohibitive of trade, internal and external. That is a matter which wants clearing up. I also desire to draw the attention of the Minister to paragraph c of clause 6, which says—

For the purposes of the last two preceding sections, unfair competition means competition which is, in the opinion of the jury, unfair in the circumstances; and in the following cases the competition shall be deemed to be unfair until the contrary is proved—

(c) If the provision would probably, or does in fact, result in . . . throwing workers out of employment.

Does it mean throwing out of employment any workers, or does it mean throwing out of employment considerable bodies of workers? That is a point which must be cleared up in Committee, because it is evident that we cannot have competition without affecting employment.

Mr. WILSON.—But competition increases employment.

Mr. KELLY.—Competition, I said, affects employment. Successful competition increases employment in the successful industry, but decreases employment in the

unsuccessful industry. All competition affects employment, and the mere fact that in this world every one lives off every one else, more or less, should make it necessary to lay down in the clearest possible terms in Committee what is meant by that phrase. This afternoon the Attorney-General was asked by the honorable member for Corinella what would constitute throwing workers out of employment. He replied that, in his opinion, if there were twenty firms engaged in an industry, and one of the firms was losing its employes as the result of competition and the others were not, that would not be "throwing workers out of employment"; but, in the opinion of somebody else, it might. So far as a layman can read the provisions of the Bill, it certainly would. That is a matter which will be well worthy of our serious consideration in Committee. I also want to get a clear difference drawn in Committee between a combine that is beneficent in its results and one that is not. The Postmaster-General has recently asked for a combination of ship-owners to provide a working postal contract.

Mr. WATSON.—Where did he say that?

Mr. KELLY.—Does not the honorable gentleman know that?

Mr. WATSON.—I am asking for information; I thought that he had only asked for tenders.

Mr. KELLY.—I cannot give my honorable friend my authority. If I am wrong I shall very much regret it, but I have been told that the Postmaster-General has actually asked for a combination of ship-owners to give a good mail contract. I have not been able to test the accuracy of my informant, but it is my belief that the Postmaster-General has asked for such a combination. It is obvious to honorable members that such a combination might possibly be in the public interests. Therefore I want the clearest possible definition of what class of combines is intended to be got at under the Bill. There is another curious anomaly which may be worth the consideration of honorable members. We all wish to see employes get better terms, and to organize for that purpose, and although the Arbitration Court actually asks them to organize with that object, yet this Bill, in effect, proposes to penalize another section of the community for organizing to fix such rates and freights as will insure the payment of those higher wages and better conditions. I have not the slightest sympathy with any combination, either for purposes

of spoliation or for the purpose of paying high wages, without consideration of the public interests generally. But it might reasonably be asked by an extreme logician why is not sauce for the goose sauce for the gander also? It might be asked, Why should we in this measure penalize any organization on one side whilst fostering organization on the other? The only body which I feel called upon in my public capacity to stand up for is the vast body of the Australian public, to which every man, woman, and child belongs, and that is the consumers. It would be absolutely against the public interest if we were to encourage the workers in an industry to organize to get higher wages, and to allow the employers therein to organize to pay those higher wages, without considering the great mass of the people of Australia—the consumers—who would have to bear the financial burden. Yet this is a matter which I repeat is well worthy the consideration of all honorable members. Every one wishes to get this second part of the Bill put in the best possible working order, and therefore I hope that in Committee the Minister will accept suggestions from this side as readily as he will accept suggestions from any quarter. I do not think that is too much to ask at his hands. No honorable member on this side has done more than criticise in a most friendly way this part of the measure, and I do ask that our suggestions shall receive the same immediate courtesy as the honorable gentleman always extends to those members who sit in the Ministerial corner. The next part of the Bill is one with which, in view of the late hour, I propose to deal very briefly.

Mr. PAGE.—We shall have to apply the new standing order to the honorable member.

Mr. KELLY.—I do not know what the honorable gentleman's constituents will think of him if he tries to apply the new standing order to a speech against these provisions for trade prohibition. The honorable member is as much interested as I am, or as any other free-trader is, in combating this part of the measure.

Mr. PAGE.—I will help the honorable member in that, only let us get into Committee, so that we can knock out this part.

Mr. KELLY.—If I were certain that that would be done, I should be ready to go to a vote on the question at once. Before proposing to deal so drastically with dumping, the Minister should have proved

the existence of that evil. It is a singular thing that some protectionists in the Chamber are so impressed with the stringency of the proposals and their far-reaching character that they have urged upon the Minister a similar request. Part III., if enforced, will defeat the avowed object of Part II. It aims, not so much at the repression of dumping, as at the prohibition of importation. I do not say that that is the avowed object of the Ministry, but it would certainly be the effect of these provisions if enforced in law. Furthermore, this prohibition is to be sanctioned, not by Parliament coming to a decision in the open light of day, but by the Minister acting at the request of certain rich manufacturers, having no responsibility to the public. I should be the last to suggest that the Minister might prove weak in the presence of temptation; but it is not right for Parliament to almost offer inducements, if I may use the phrase, for the creation of corrupt practices. I think that the House has no fear that the present Minister will be tempted; but he might be succeeded by one who would prove frail. Before we pass provisions such as these, we should know that the dumping and malpractices which have been alleged actually exist. It is under the Constitution one of the first duties of this House to deal with all Tariff matters; and are we now going to say that we are unable to carry out this trust, and must hand it over to some omniscient person like the Minister of Trade and Customs? Surely the work is such as should be done in the open light of day, and by Parliament, instead of by the Minister in his sanctum, or in a board room, over cigars and a bottle of wine. There are other phases of the matter with which I had intended to deal, but, as the hour is rather late, I shall reserve my criticism, on the understanding that we shall have an opportunity to fully state our objections to Part III. when, in Committee, we come to deal with the first clause of that part.

Sir WILLIAM LYNE.—Does the honorable member wish to deliver another second-reading speech then?

Mr. KELLY.—The Government will not allow me to resume my remarks to-morrow, and I do not wish to detain the House longer to-night. I think that the course which I propose would save time. In my opinion, Parts II. and III. of the Bill should be kept absolutely separate. Both

the members of the Opposition and the members of the Government party are agreed that monopolies and combines should be subject to proper regulation—the only persons who do not believe in the efficacy of such regulation being the members of the Labour Party, who keep the Government in power. But many of us are absolutely opposed to the proposed prohibition of imports, which raises a controversial question which must be fought out to the bitter end. For this reason, I shall not tack on to my criticisms of Part II. the strong objections which I have to Part III., but shall reserve what more I have to say until the Bill gets into Committee. Those whom I represent regard Part III. as the most serious menace this Chamber has yet threatened to the interests of the people of Australia, and I shall use all the forms of the House open to me and all my powers to resist its passing.

Motion (by Mr. FULLER) proposed—

That the debate be now adjourned.

Sir WILLIAM LYNE (Hume—Minister of Trade and Customs) [10.50].—I had hoped that this debate would be concluded to-night. There are only one or two more speakers. Unless there are some other speakers who will be ready to proceed to-morrow there is no use in adjourning.

Mr. SPEAKER.—The question of the adjournment of the debate is not open for discussion under the Standing Orders passed last session. The question is that the debate be now adjourned.

Sir WILLIAM LYNE.—I merely wish to say—

Mr. SPEAKER. — I cannot help the honorable gentleman. The Standing Orders passed last session provide that there can be no debate on a motion for the adjournment of a debate.

Sir WILLIAM LYNE.—I was merely about to state when the debate will be taken up again.

Mr. SPEAKER.—I cannot allow that statement to be made on this question. A motion will, I presume, be submitted as to when the debate will be set down for resumption. The Minister can then make his statement. But unless I deliberately violate the Standing Orders passed last year I cannot permit a debate on the question now before the House.

Question resolved in the affirmative.

Sir WILLIAM LYNE (Hume—Minister of Trade and Customs) [10.51].—In moving—

That the resumption of the debate be made an order of the day for to-morrow,

I wish to say that I hoped that it would be concluded to-night. To-morrow is set apart for private business, and the discussion on the Bill can be resumed only after the determination of that business, or after dinner. I have had a consultation with the Prime Minister, and we must try to get the debate concluded to-morrow or on Friday; but I hope to-morrow.

Question resolved in the affirmative.

TEMPORARY CHAIRMEN OF COMMITTEES.

Mr. SPEAKER.—I lay on the table my warrant appointing the following honorable members to act as Temporary Chairmen of Committees:—Mr. Batchelor, Mr. Fowler, Mr. Mauger, and Mr. Wilks.

ADJOURNMENT.

SUPPLY BILL.

Mr. DEAKIN (Ballarat—Minister of External Affairs) [10.52].—In moving—

That the House do now adjourn,

I should like to mention that, in order to meet the convenience of honorable members elsewhere, we propose to ask the House to-morrow to pass a Supply Bill in anticipation of requirements to enable payments to be made after the commencement of next month. They consist of payments for buildings, wages, &c.

Mr. JOSEPH COOK (Parramatta) [10.53].—With every desire to meet the convenience of honorable members elsewhere, I must say that a Supply Bill cannot, under the circumstances, be taken to be a formal matter. There may be important questions for consideration on Supply. As we are only about half way through the month there cannot possibly be any urgency for the Bill, except that, as I understand, it is desired to meet the convenience of honorable members of another place. I do not know where the question of their convenience arises. I can only assure the Prime Minister that the fact that he has mentioned that matter must not be taken to indicate that we shall therefore allow the grant of Supply to be a formal matter.

Mr. DEAKIN (Ballarat—Minister of External Affairs) [10.54].—I hope that the

honorable member for Parramatta will reconsider the matter. He will have an opportunity of making himself acquainted with the facts I have mentioned. There is no other motive on the part of the Government. It has been represented to us on behalf of members on both sides elsewhere, as the honorable member will find, that it is desired to have an adjournment of another place at the end of this week. The proposal is not made to suit the convenience of the Government. Members of another place have represented to their leader what they desire, and he speaks on behalf of them all. We are desirous to meet them if we can. They will have a great deal of business before them shortly, and they have pointed out that if they are able to have an adjournment now they will be better able to proceed with its transaction then.

Question resolved in the affirmative.

House adjourned at 10.55 p.m.

Senate.

Thursday, 21 June, 1906.

The PRESIDENT took the chair at 2.30 p.m. and read prayers.

POSTPONEMENT OF BUSINESS.

Senator Col. NEILD.—In accordance with standing order 102, sir, I beg to postpone notice of motion No. 1, standing in my name, for one month.

The PRESIDENT.—The honorable senator can do that after notices of questions and motions have been given, and questions without notice have been asked.

At a later stage,

Senator Col. NEILD.—Mr. President, I gave notice of the postponement of my motion No. 1, in terms of standing order 102, not standing order 62.

The PRESIDENT.—Yes, but the honorable senator must read the two standing orders together. The routine for carrying on the business of the Senate is as follows:—First, reading of prayers; second, presentation of petitions; third, giving notices and questions without notice; fourth, questions on notice; fifth, formal motions; and then the rearrangement of business.

Senator Col. NEILD.—I beg your pardon, sir. I have frequently done what I

did just now—given fresh notice of a motion.

The PRESIDENT.—If the honorable senator gives fresh notice of a motion, that is another thing, but I did not understand him to do that. He is quite in order if he gives fresh notice of the motion.

Senator Col. NEILD.—That is precisely what I did.

Senator GIVENS.—Can the honorable senator give fresh notice of a motion which is already upon the notice-paper?

The PRESIDENT.—Yes, if he chooses.

GOVERNMENT HOUSE, SYDNEY.

Senator WALKER.—I desire to ask the leader of the Senate, without notice, whether he will kindly state what arrangements, if any, are going to be made for continuing the use of Government House, Sydney, as the lease of the property will expire on the 30th June?

Senator PLAYFORD.—Last session I promised that this matter would be submitted to the Senate. It will be submitted shortly to both Houses by Bill, and then the honorable senator will be in a position to see what we propose to do.

ADJOURNMENT (Formal).

PUNISHMENT OF A WITNESS.

Senator PEARCE (Western Australia) [2.35].—I move—

That the Senate, at its rising, adjourn until ten a.m. to-morrow.

I take this course for the purpose of drawing the attention of the Senate and the Government to a matter of urgency, namely, "the discharge of an employé, one James Stone, by the British-Australasian Tobacco Company, in Sydney, because of certain evidence given by him before a Royal Commission appointed by the Government to inquire into the existence of a monopoly in the tobacco industry, and to ask the Government to take action in the matter."

The PRESIDENT.—The honorable senator has given me the requisite notice under the standing order, and it is now necessary for four honorable senators to rise in their places.

Four honorable senators having risen in their places.

The PRESIDENT.—The honorable senator can now proceed.

Senator GUTHRIE.—Not a soul on the other side rose.

Senator MILLEN.—As we knew nothing about the matter that could not be expected.

Senator Lt.-Col. GOULD.—We have not been privileged to hear the nature of the grievance.

Senator PEARCE.—I have no complaint against honorable senators on the other side for not rising. I only asked certain senators to rise, and they did. As the Royal Commission on Tobacco Monopoly has handed in its report to the Governor-General, it has ceased to exist, and, therefore, cannot deal with this case. I merely intend to quote the facts for the information of the Senate, and the Government, and to ask the latter to look into the case, and see if it is not possible to take such action as will protect this witness against the alleged attempted intimidation. The first paper I propose to read is a statutory declaration by an employé of this company, who has been discharged—

I, James Stone, of Mills-street, Carlton, in the State of New South Wales, Commonwealth of Australia, tobacco plug coverer, do hereby solemnly and sincerely declare that:—

1. I have been for twenty-nine years in the employ of the British-Australasian Tobacco Company Limited, and was in their employ in December, 1905. I was dismissed on the 18th of June instant.

2. In December last year I gave evidence at Sydney before the Royal Commission appointed to inquire into the Tobacco Industry in Australia.

3. The said company demanded that an inquiry should be held by them regarding certain evidence given by me before the said Commission. Acting under the advice of my solicitors, I declined to consent to any such inquiry.

4. On the 6th day of June instant I received a letter from the said company, demanding that I should make an "approved apology" to the foreman (whose conduct my evidence referred to), and also to the said company.

5. On the 7th day of June instant by direction of my union (the Tobacco Workers' Union) I wrote a letter in reply, referring the company to the report of my evidence, and pointing out that I did not speak from my own knowledge.

6. On the 9th day of June instant the said company replied, charging me with having made "certain very gross and damaging statements against the foreman" and themselves in the witness box before the Commission, and they again demanded an apology. I did not reply to this letter, as the executive of my said union directed me not to answer it.

7. On the 18th of June instant I received from the company a letter as follows:—

"Dear Sir,—Having failed to conform to our request, as again stated in our letter to you of the 9th instant, and to which letter you have not even replied, there remains now no other course open to us than to inform you that your

services are no longer required, and you will please accept this notice as your discharge from the factory. Your work will be weighed off to lunch time to-day."

8. The evidence I gave before the said Commission was, I believe, quite true.

And I make this solemn declaration, conscientiously believing the same to be true, and by virtue of the provisions of the Oaths Act 1900.
JAMES STONE.

Subscribed and declared at Sydney this nineteenth day of June, One thousand nine hundred and six, before me.—M. R. Aaron, J.P.

I shall now read the evidence upon which James Stone based the statement, namely, the sworn declarations of two employes of the company.

Senator MILLEN.—Is the honorable senator going to read from a report which has not yet been tabled here?

Senator PEARCE.—These sworn declarations never came before the Royal Commission. They were supplied to me by James Stone, and up to that time I had not seen them.

Senator Sir JOSIAH SYMON.—Are the two employes who made the declarations still in the service of the company?

Senator PEARCE.—I cannot say, but they were when the declarations were made.

Senator Lt.-Col. GOULD.—They did not give evidence before the Royal Commission?

Senator FEARCE.—No. One declaration reads as follows:—

I, Horace Reginald Herington, of Palace-street, Petersham, in the State of New South Wales, do hereby solemnly and sincerely declare that—

1. I was working at the British-Australasian Tobacco Company Limited while Mr. Newman was foreman, and also in Mr. Laurence's time.

2. Every evening that we knocked off, from June to September, the females' returns were brought and mixed in with the wrap-leaf which the men had to work next day. This continued up to September, the month in which they were making the alleged test, and while it was being made.

3. That between the dates above mentioned the tobacco leaf given out to the female operatives was from 300 to 350 lbs. per day.

And I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Oaths Act 1900.

HORACE REGINALD HERINGTON.

Subscribed and declared at Sydney this tenth day of December, One thousand nine hundred and four, before me.—L. W. Fienberg, J.P.

Honorable senators will perceive the meaning of that when I quote presently the evidence which was given by James Stone before the Royal Commission. The

other statutory declaration reads as follows:—

I, Richard Henry Bartlett, of Spofforth-street, Cremorne, in the State of New South Wales, Commonwealth of Australia, traveller, do hereby solemnly and sincerely declare that—

1. I was working at the British-Australasian Tobacco Company Limited, at Sydney, while Mr. Newman was foreman, and also while Mr. Laurence was foreman.

2. Every evening that we knocked off the female operatives' "returns" were brought in and mixed in with the wrap-leaf which the male operatives had to work up the following day.

3. At that time the leaf given out to female operatives weighed from three hundred (300) to three hundred and fifty (350) pounds per day.

And I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Oaths Act 1900.

RICHARD HENRY BARTLETT.

Subscribed and declared at Sydney this nineteenth day of June, One thousand nine hundred and six, before me.—M. R. Aaron, J.P.

In order that honorable senators may see the value of these declarations, I shall now read the evidence which was given by James Stone before the Royal Commission at Sydney on the 13th January, 1906, and for which an apology was demanded.

James Stone, tobacco worker, and Secretary to the Tobacco Workers' Union, sworn and examined.

By the Chairman.—Do you propose to give evidence on behalf of the Union to which you are secretary?—Yes.

Passing over that portion of the evidence which refers to other questions, I come to the first mention of the matter in respect of which he was afterwards called upon for an apology. It reads as follows:—

The only deputations from the union that have waited on the firm have been since the females were brought in. One thing always thrown at the men is that the women are more economical. We have good reason to dispute that. When I met Mr. Shaw, on 29th August, 1904, he quoted to me that the girls were beating us by £3 in the hundred. I told him, if he wished it, he could put two females alongside of me, and I would guarantee to give him a better output in the number of blocks and in the average of leaf, but he said they looked on me as an expert. I then told him that any man in the room could do it. He wrote back telling us he would run out the month of September, and that he found the females were making further advance on us, and that it was not advantageous to his company. During that month we were all supposed to be on a test, and Mr. Shaw threw out a challenge. The union accepted it, on the condition that they be allowed an arbitrator, because we knew the leaf was tampered with. The boys at the bia said that when the men knocked off at half-past 3 it was disgraceful to see what was done with the leaf. After that members of the union used to stay behind, and they caught the foreman bringing the females'

returns and mixing them in with the leaf, so that when they came next morning to start it would be taken as an average. No test was made. Everything went on the same till November last year, when we had occasion to approach Mr. Weeks, and I consider it unjust on his part to make such a demand on account of the leaf they had to work. They commenced to weigh out the leaf not up to the standard. Mr. Laurence, assistant manager, told the men if they did not average 10 lbs. work out of every pound of leaf he would discharge them. Against that the union protested, and Mr. Laurence called the men up and cautioned them. They showed the foreman the class of leaf they had to work, and that it would be impossible to get the required number from it. The union met the manager, Mr. Weeks, in November, and explained the stand taken up. He said the females were averaging 10 lbs. out of every pound of leaf, which we disputed, as we received the same as they did. He said it came out of the same hoghead, but we told him that every hoghead did not run alike. We also had to speak about the making of the flake. I am sorry to have to say so, but the work has to be taken to the foreman to be passed, and if it is returned the employé has to forego his day's work. The flake was that bad that I could not make a decent job of it. We wrote to Mr. Shaw, asking him to receive a deputation on the subject, and although he replied that we had made certain charges against Mr. Weeks and Mr. Laurence—the union wrote telling him they could prove them and could produce documents—but he would not listen to us unless there was a report posted up in the factory. We told him it could not be done till the deputation took their report back to the union.

That is the whole of the evidence given by that witness as regards this particular part of the work. I propose now to read a letter which was sent to the witness by the company—

British-Australasian Tobacco Co. Ltd.,
Sydney, 7th June, 1906.

Mr. James Stone, Coverers Department, B.A.T.
Co. Pty. Ltd., Sydney.

Dear Sir,—You are aware that the opportunity offered you of proving the charge of dishonest practices, made in your statement before the Royal Commission, was brought to a standstill by your solicitors, Messrs. Brown and Beeby, stating in their letter of 27th February that the Union, on further reflection, declined to be parties to any inquiry into the truth or otherwise of the statements made, and suggesting that the company had recourse by instituting a prosecution against you for perjury.

The matter was allowed to stand in abeyance pending the arbitration case, when we fully expected that this charge would have been again brought up, seeing how important a bearing it had on the question of the economy in wrappers as between men and women.

You did, at the Arbitration Court, repeat the charge originally made before the Royal Commission, and this time went so far as to mention names in support of your evidence, but beyond your own bald statement no witness was called, nor evidence whatever produced.

Senator Pearce.

Seeing the enormous advantage such evidence would have been to your party during the recent proceedings, it is not to be conceived that your legal advisers would have failed in producing it, and so we are forced into the belief that they also gave no credence to your statement.

Our duty, therefore, first to Mr. Lawrence, the foreman, whom we consider you have so grossly wronged, is that you shall make reparation to him in the form of an approved apology; for had your charge been proven he would have lost his situation; and secondly, an equal apology to ourselves, whom you have endeavoured to hold up to public discredit.

At the close of the Arbitration Court proceedings we expected that you would probably tender an apology, and we have delayed writing in consequence.

(Signed) W. G. SHAW,
Managing Director.

To that letter, which was placed before the Tobacco Workers' Union by Mr. Stone, the following reply was sent on 7th June, 1906:—

Sir,—I have the honour, by direction of my Union, to respectfully acknowledge the receipt of your letter bearing yesterday's date. In reference to Messrs. Brown and Beeby's letter of the 27th of February last, I would with all due respect point out that the Union only acted on the advice of those members of the Royal Commission that they saw.

I respectfully ask you, sir, to look over the report of the Royal Commission, and you will find therein that I said as follows: That I had in my possession two statutory declarations, sworn to by two of your employés. They were working for the B.A.T. Co. during the foremanship of Messrs. Newman and Lawrence, and during the alleged test. Every evening, from June to September, the female returns were brought and mixed in with the wrapper leaf which the men had to work next day.

That I had been informed by two other of your employés to the same effect. I have never stated from my own knowledge that the act you complain of had been done.

As soon as it is decided what is to be done I will immediately inform you of same.

(Signed) JAMES STONE, Secretary.

On the 9th of June, the British-Australasian Tobacco Company Limited wrote to Mr. James Stone as follows:—

Dear Sir,—We this morning have your letter of 7th inst., in reply to ours of the day previous.

Your endeavouring to explain away your position by saying you were acting under advice of certain members of the Royal Commission does not, it seems to us, have any bearing on the case, which is very simple. You, in the witness box, before the Royal Commission, made certain very gross and damaging statements against the foreman and ourselves. You had every opportunity of proving them—1st., at the Royal Commission; 2nd., at our invitation, which you through your solicitors positively declined; 3rd., at the recent arbitration proceedings.

Having failed to even make an attempt at establishing your charge, one which, as we have

already stated, if proved would have meant the immediate discharge of the foreman concerned, we demanded an apology, and shall be glad to hear your intentions as early as possible.

To that letter Mr. Stone made no reply; but on the 18th June he received the following letter from the British-Australasian Tobacco Company:—

Dear Sir,—Having failed to conform to our request, as again stated in our letter to you of 9th inst., and to which letter you have not even replied, there remains now no other course open to us than to inform you that your services are no longer required, and you will please accept this notice as your discharge from the factory.

Your work will be weighed off to lunch time to-day.

(Signed) W. G. SHAW,
Managing Director.

That letter has upon it the stamp of the British-Australasian Tobacco Company, and the signature of the managing director. It will be noticed that in the course of this statement Mr. Stone refers to the Royal Commission, and he says that he declined to go any further with the statement, acting on the advice of the members of the Commission. The only thing of which I have any cognizance in regard to the matter is that some time after Mr. Stone had given evidence before the Commission in Sydney, he came to me in the precincts of this building, and told me that the British-Australasian Tobacco Company wanted him to make a statement in a public manner, and that they would have an inquiry made, and would abide by the result. He told me, also, that his solicitor had advised him that the company could proceed against him for perjury, if they thought he had committed perjury, and could prove it; or could proceed against the two persons who had made the statutory declarations. He asked me what I thought he ought to do under the circumstances. I told him that of course my advice was simply that of a layman, and that he had to decide for himself; but that, so far as I could see, if the company wanted redress, it could get it by proceeding against him for perjury, or by proceeding against the persons who made the declarations upon which he based his statement. I added that if I were in his place I should leave the company to take the course open to it.

Senator Lt.-Col. GOULD.—Were the names of the persons who made the statutory declarations given?

Senator PEARCE.—They were not published at the time.

Senator Lt.-Col. GOULD.—So that the company did not know who they were?

Senator PEARCE.—Mr. Stone said that he made the statement upon the authority of persons in the employment of the company. He did not give their names before the Royal Commission, although he may have done so for aught I know before the Arbitration Court.

Senator DOBSON.—Under what circumstances were those statutory declarations made?

Senator PEARCE.—All that I know is that they were forwarded to me to prove that this man had some authority for the statement he made in his evidence.

Senator Sir JOSIAH SYMON.—Did he say in his evidence that he made the statement upon the authority of some one else?

Senator PEARCE.—He said that he was stating what he had been told.

Senator Sir JOSIAH SYMON.—He did not say who told him?

Senator PEARCE. — No. He said he had been informed.

Senator Lt.-Col. GOULD.—It is a strange thing, when evidence on oath is being taken, to permit a witness to repeat what some one else said; without giving the names of the authors of the statement.

Senator PEARCE.—A Royal Commission is not conducted with the same strict legality as a court of law. In fact, the Commission regarded the statements as a mere side issue. I did not think it necessary to pursue the subject even to the extent of asking for the authority for the statements. We had before us in the following week in Melbourne the general manager of all the factories, Mr. Wilkins; and although Mr. Wilkins took exception to statements which had been made by Mr. Stanley in Melbourne, and also to statements made by Mr. Stone, he did not take exception to this particular statement. So that whatever importance may be attached to the statement by others, the Commission did not attach much importance to it, and did not follow up the question. I do not pretend to be in a position to say whether the statement made by Mr. Stone could be corroborated or not, but it was made in evidence, and there is a remedy if false statements are made in evidence.

Senator MILLEN.—As the witness only repeated hear-say statements, how could he be proceeded against for perjury?

Senator Sir JOSIAH SYMON.—He could not be.

Senator PEARCE.—I have always understood that if a witness slanders any one, even upon the authority of some one else, he can be proceeded against for having repeated the slander.

Senator Sir JOSIAH SYMON.—Not when he gives evidence on a privileged occasion or before a privileged body like a Royal Commission.

Senator PEARCE.—Surely if I make a false statement, even on the authority of others—

Senator MILLEN.—It is not false under those circumstances; the statement is "Some one told me so," and that is not incorrect.

Senator PEARCE.—If the statement is not false, why should Mr. Stone be called upon for an apology? He made a statement upon certain sworn declarations made by other people, whose names no doubt he was prepared to give to the company.

Senator TRENWITH.—They appear to have asked for the names, according to the letters read by the honorable senator.

Senator PEARCE.—They have not asked for the names.

Senator TRENWITH.—I understood the honorable senator to say that they wrote to Mr. Stone, and that he refused to reply.

Senator PEARCE.—He refused to put himself in a position in which he might be sued for libel. By refusing to do so, he was in the position that the company, if it sued him, would have to prove that his statement was wrong.

Senator PLAYFORD.—He only had to prove that two men told him certain things.

Senator PEARCE.—And he, by making that statement, would make himself responsible for the statement of those men. On the other hand, the men who made these sworn declarations made them with a knowledge of the consequence of breaking the Oaths Act, and upon them, therefore, rests the responsibility.

Senator Sir JOSIAH SYMON.—Were those sworn declarations made recently?

Senator PEARCE.—No, they were made some time ago. The powers, privileges, and immunities of this Parliament in reference to matters of this sort are declared in section 49 of the Constitution to be the powers, privileges, and immunities of the House of Commons, until we declare them. We have not yet declared our powers, privileges, and immunities, and therefore we have to fall back on those of the House of Commons. I find, on re-

ference to *May*, that there is full power to take action for the protection of witnesses. For instance, there is a case mentioned on page 174 of *May*—

On the 7th April, 1892, a member of the House, who was a director of the Cambrian Railway Company, attended the House in his place, and two other directors and the manager of the company, at the Bar, under an order of the House, made in consequence of a special report from the Select Committee on Railway Servants (hours of labour). The Committee reported that, in the course of their inquiry, it came to their knowledge that allegations were made that certain persons had been reduced or dismissed from the service of the company, in consequence of the evidence they had given before the Committee, and that in the case of one person, John Hood, he was dismissed by the company mainly in consequence of charges arising out of the evidence given by him before the Committee.

The member was heard in his place, and the whole of the directors were reprimanded by Mr. Speaker. Another point is that the House of Commons has declared its powers by Statute. I have here the Witnesses Public Inquiries Protection Act of 1892, which is an Act for the better protection of witnesses giving evidence before Royal Commissions, Select Committees, or other bodies conducting public inquiries. It covers the case under notice. Section 2 provides—

Every person who commits any of the following acts, that is to say, who threatens, or in any way punishes, damnifies, or injures, or attempts to punish, damnify, or injure, any person for having given evidence upon any inquiry, or on account of the evidence which he has given upon any such inquiry, shall, unless such evidence was given in bad faith, be guilty of a misdemeanour, and be liable upon conviction thereof to a maximum penalty of £100, or to a maximum imprisonment of three months.

Some of the facts of this case are to hand, and the whole of them can be obtained. All I ask is that the Government will look into the case that has been presented, and if necessary, give the other side an opportunity to bring forward their facts. That having been done, I trust that the Government will investigate the matter, and determine whether it is one in which the law ought to be put in motion.

Senator MILLEN.—The law to which the honorable senator has referred is not in force in Australia.

Senator PEARCE.—I venture to say that it is. We have the powers and privileges of the House of Commons, and when it provides by Statute for the protection of those powers and privileges, I think that the Statute must apply to this Parliament.

Senator Lt.-Col. GOULD.—The evidence was given before a Royal Commission appointed, not by the Parliament, but by the Governor-General in Council.

Senator PEARCE.—I think that all Commissions are appointed by the Governor-General in Council.

Senator Lt.-Col. GOULD.—And so is a Judge of the Supreme Court, but if the evidence had been given before the Supreme Court we could take no action.

Senator PEARCE.—This Act applies to Royal Commissions in England, and it seems to me that it applies to Royal Commissions here.

Senator MILLEN.—The honorable senator will not say that the section of the Constitution to which he has referred makes Imperial Acts operative here?

Senator PEARCE.—I venture to say that, by virtue of that provision in the Constitution, the powers and privileges of the House of Commons, so far as they are declared by Statute, are applicable to this Parliament. All I ask is that the Government shall look into the matter, and see that justice is done to both parties.

The PRESIDENT.—I do not know whether I ought to interfere in this matter, but I am informed by Mr. Boydell, who was then Acting Secretary of the Select Committee on the Tobacco Industry, that it was converted into a Royal Commission on the 2nd January, and that the evidence in question was not given until the 11th January. That being so, the question raised does not relate to the powers and privileges of the Senate. The evidence was given before a Royal Commission, and that Commission will deal with it.

Senator STANFORTH SMITH.—But does not the action taken affect the privileges of the Senate?

The PRESIDENT.—The evidence was given, not before a Select Committee of the Senate, but before a Royal Commission.

Senator PEARCE.—The English Act applies to evidence given before a Royal Commission.

Senator PLAYFORD (South Australia—Minister of Defence) [3.5].—All that Senator Pearce has asked is that the Government shall make an inquiry. Personally, I promise that all the necessary inquiries shall be made, and a report submitted to the Senate. It is a well-understood principle that a man giving evidence before a Select Committee of the House must give it in absolute good faith. We

do not protect a witness who casts unfair aspersions on others or tells untruths; but if a witness has given his evidence honestly, and in good faith, I think it is the duty of the Parliament to protect him. It is our duty to protect to the greatest possible extent those who appear before Select Committees and Royal Commissions. It frequently happens that men will not give evidence before Select Committees or Royal Commissions lest it may lead to their dismissal from really good employment. One of the difficulties which Select Committees and Royal Commissions experience in investigating any matter submitted to them is the dread of employés to give evidence which may result ultimately in the loss of their employment. That being so, it is our duty to protect witnesses appearing before such bodies. The case brought forward by Senator Pearce seems to be a complex one. I followed his statements closely, and I have no doubt that the Attorney-General will look into the matter, and appoint some one who has a knowledge of the law relating to the subject, and who has some training in the sifting of evidence to make inquiries. That having been done, a report will be made to the Senate, and if we think it necessary, doubtless such action will be taken as the law permits.

Senator Lt.-Col. GOULD (New South Wales) [3.7].—I am sure that no honorable senator would defend any one who attempted to deal unfairly with a witness who had given evidence honestly and in good faith before a Royal Commission, but it is just as well that we should make the position perfectly clear. If a witness gives his evidence honestly and straightforwardly, he ought not to be punished for doing that which the law really requires him to do. But before bringing a matter of this kind before the Senate, we ought to be satisfied that such a step is justifiable. It would be competent for a man to give evidence before a Royal Commission that he had been told of various matters detrimental to the interests of some individual or firm.

Senator Col. NEILD.—Or derogatory of some individual's character.

Senator Lt.-Col. GOULD.—Or derogatory of an individual's character, and to say subsequently, "I was told by an individual whose name I will not disclose, that the facts were as stated." In this way, a witness might, with the object of injuring a firm, give evidence that was

absolutely false, and we should not be able to touch him, since we could not prove its falsity. Who could prove that the information he gave to the Commission had not been, as he alleged, communicated to him? If he were prosecuted for perjury, it would be for the Crown to prove his guilt; it would not be for him to prove his innocence. In these circumstances, we need to be careful as to what action we take. Senator Pearce has said that this witness made the statement in question honestly believing it to be true, because he had been supplied with declarations by two employés who alleged that it was. What has been done by the company? They have said to this man, "We want an inquiry into this matter; if you can prove your charge, this employé will be at once dismissed." And if the manager chose to do such an unjust thing as has been alleged by Senator Pearce, dismissal would be by no means a severe punishment. On the other hand, it is unjust to allow such a charge to be preferred against a man without any attempt being made to prove it. If this employé, who says he has lost his position, had told the company that he made the statement upon mere hear-say, and had produced the declarations upon which he based it, he would have cleared himself.

Senator Col. NEILD.—Why did he not produce the declarations?

Senator Lt.-Col. GOULD.—I cannot say. According to Senator Pearce one of these declarations is dated December, 1904, or some time anterior to the evidence given before the Commission. When his employers wished to make an inquiry Stone ought to have handed his declarations to them, leaving them to deal with the matter as they thought fit. Another point is that since the evidence was given an inquiry has taken place before the Arbitration Court of New South Wales. These men might well have given evidence before that Court. If they had done so, the law of New South Wales would have prevented their dismissal. The New South Wales Arbitration Act provides that an employé shall not be dismissed for giving evidence before that Court, the reason for this being that the Court requires at times to secure clear evidence on certain matters, even though it may be to the disadvantage of an employer. If this man has unwisely neglected the opportunity offered him to vindicate himself, and to declare his own position, is it reasonable should—

Senator GIVENS.—He was guided by the advice of his solicitor.

Senator Lt.-Col. GOULD.—I care not who advised him. Having taken up a certain stand he now comes to Parliament, and says—"Here are the declarations upon which I made my statement. I have been unjustly treated. I have had these declarations for two years, and have never attempted before to show what dishonest practices are taking place in the tobacco trade—"

Senator MCGREGOR.—He knew he would do no good, and that his action would only lead to three of the men being dismissed.

Senator Lt.-Col. GOULD.—Why did he not bring forward these declarations earlier? If the production of these declarations would have led to the dismissal of the men who made them, will not their production at the present time have the same result? One is inclined to believe that it was felt that their evidence would not stand the test of cross-examination. Had it been submitted to the Arbitration Court those whose honour is impugned would have had an opportunity to test it by cross-examination. Whilst I give Senator Pearce credit for doing what he believes to be just, I think he has made a serious mistake in bringing this matter before Parliament. Such an action tends to drag down individuals when there is really no evidence to substantiate the charge made against them. The declarations referred to are perfectly good until an inquiry has shown them to be false. The honorable senator is unwittingly doing a great injustice to the employers who have been charged upon such evidence as that to which he has referred this afternoon.

Senator DE LARGIE.—What about the gross injustice to the man?

Senator Lt.-Col. GOULD.—If he had been dismissed because of evidence given honestly and in good faith before the Commission, and which he was prepared to have investigated, he would certainly have been treated unjustly. But if a man chooses simply to say that some one has told him that his employer is a thief, and when asked to prove his statement seeks to shield himself by saying—"I am advised not to tell you who gave me this information, and I shall not withdraw my statement," what is the position of his employer?

Senator MILLEN.—Reverse the position. Imagine an employer making such a statement about an employé.

Senator Lt.-Col. GOULD.—Quite so. If the employer had said that Stone was a rogue and a thief, would he not have asked for an inquiry? I think so, and he certainly would have been entitled to it. I wish honorable senators to realize that all I ask is that justice shall be meted out to the employers, as well as to the employes. Neither should have more nor less than reasonable and just consideration, and I deprecate the bringing forward of matters in this way. The man was given an opportunity on two or three occasions to prove his allegations.

Senator MCGREGOR.—Before what tribunal?

Senator Lt.-Col. GOULD.—The Arbitration Court of New South Wales. Senator Pearce has said that we enjoy certain powers and privileges of the House of Commons. I would remind the honorable senator, however, that the evidence in question was given, not before the Senate or a Select Committee of the Senate, but before a Royal Commission appointed by the Governor-General in Council. That being so, what can we do? What power have we to take action?

Senator Col. NEILD. — What powers does the Government possess in this regard?

Senator Lt.-Col. GOULD.—That is a pertinent inquiry. As I pointed out by interjection just now, a Judge of the Supreme Court is appointed by the Governor in Council. Suppose this man had given evidence before a Judge of the Supreme Court, and he had been dismissed in consequence, could that have been said to be a breach of the privileges of the Senate?

Senator PLAYFORD.—It is not pretended that this is a breach of privilege; all that Senator Pearce asks is that the Government shall inquire into the case.

Senator Lt.-Col. GOULD. — Senator Pearce has said that we have certain powers of the House of Commons, but I do not think that this is a power that the House of Commons could exercise. Moreover, if the Government are to make inquiries about every difficulty and trouble that arises in the law courts, or outside Parliament, they will have time for nothing else. What relief could the Government give? Suppose the Government make an inquiry, and find that this man was improperly and unjustly dismissed, what could the Government do?

Senator Sir JOSIAH SYMON.—How can the Government make an inquiry?

Senator Lt.-Col. GOULD.—I am assuming that the Government can make an inquiry.

Senator Sir JOSIAH SYMON.—The Government cannot make an inquiry except by means of another Royal Commission or a Select Committee.

Senator Lt.-Col. GOULD.—It is reducing parliamentary business to a farce to occupy our time with every trouble of this kind which may arise between employers and employed. The courts of law are in existence to deal with such matters.

Senator O'KEEFE.—What does Senator Gould suggest to meet the case of a witness who is intimidated from giving evidence before a Royal Commission?

Senator Lt.-Col. GOULD.—This man was not intimidated, but was asked to give his authority for the statements he had made. This the man declined to do, and, therefore, he has taken the whole responsibility on himself. If the man was neither prepared to prove his statements nor to withdraw them, can we be surprised that his employer got rid of him? If an honorable senator opposite had in his service a man who was, he thought, attempting to injure him, would he retain that man in his employment for another day? Senator Pearce has shown that there is no case to justify any interference by the Government, or even a debate in this House.

Senator TRENWITH (Victoria) [3.17]. —I have not heard the whole of the case as presented by Senator Pearce, but, from what reached by ears, I am inclined to think that that honorable senator has been somewhat precipitate in bringing this matter before the Senate. I do not, however, agree with the dictum that this Chamber, or the Government, have not the power, which it seems to me they have, under the English Act quoted by Senator Pearce.

Senator MILLEN.—The Act is not in force here.

Senator TRENWITH. — That, of course, is a question. I have not given sufficient consideration to the matter to express a definite opinion, but our Constitution provides that if we do not declare our powers in certain connexions the powers of the House of Commons shall prevail. I take it that this is a power and privilege of the House of Commons, seeing that a

Statute specially protects witnesses who give evidence before tribunals appointed at the instance of that Chamber. Although Royal Commissions are technically appointed by the Crown, we all know that that is a mere fiction of the Constitution.

Senator PLAYFORD.—Hear, hear.

Senator TRENWITH.—Royal Commissions are appointed by the Government of the day, who hold their authority from Parliament; and, therefore, any infringement, or any tampering with a witness before a Royal Commission, is practically a flying in the face of Parliament. Senator Millen may smile, but we all know that what I have stated is an absolute fact.

Senator MILLEN.—We do not know that the English Act is in force here.

Senator TRENWITH.—I am not claiming that the Act is in force here, although it seems to me that Senator Pearce has good grounds for assuming that it is. At any rate, if it is in force, this is a matter with which the Government ought to deal. If the Act is not in force here, and as we have not yet declared our powers by Statute, I think the Government may act, and Senator Pearce ought to be satisfied with the promise given; certainly, I am. I confess at once that I do not know sufficient of the question to form an opinion. The whole of the correspondence, voluminous as it appears to be, ought to be before us before we arrive at any decision; and the promise of the Government is adequate for present purposes. But it is an unnecessary and gratuitous abnegation of our functions to say that the alleged action is not an infringement of either the powers or privileges of Parliament. Whether declared by Statute or not, undoubtedly we must protect, by the strongest possible means at our disposal, the complete independence of witnesses before tribunals appointed at our instance, as certainly this tribunal was. Whether there has been unjust intimidation or not, is a question on which I shall not express an opinion, because I regard the matter as too serious; an opinion ought to be declared only after such careful inquiry as the Government have undertaken to make. The Senate passed very strong Standing Orders, and, if I remember rightly, embodied them in a Statute in order to protect witnesses who —

Senator PEARCE.—That Bill was lost in the House of Representatives.

Senator TRENWITH.—The Senate undoubtedly dealt very stringently with the question, with the very object Senator Pearce appears to have of protecting to the utmost the independence of witnesses before Commissions or Committees appointed at our instance.

Senator STANIFORTH SMITH (Western Australia) [3.23].—I am glad that the leader of the Senate has undertaken to institute an inquiry, which, I hope, will be searching.

Senator GRAY.—How is it going to be made?

Senator STANIFORTH SMITH.—If the honorable senator will allow me to proceed, I shall tell him. These charges were made by a man named Stone at a meeting of a Royal Commission, appointed nominally by the Crown, but really by this Parliament. The language that the charges were clothed in was respectful enough, and to it no exception was taken; the objection was to the statements themselves. From the evidence before us, I think that those statements were made *bonâ fide*; and the proof of that is in the fact that two men employed in this factory have voluntarily signed statutory declarations that they are true.

Senator MILLEN.—Why did these men not attend at the Royal Commission and give evidence?

Senator STANIFORTH SMITH.—I cannot say, but by making the statutory declarations they have brought themselves within the law if their statements are false. Stone, in his evidence, said that he had been informed as to the alleged facts, and I believe he said that *bonâ fide*. Of course, I know of no Court which would take evidence on hear-say; and I do not think this evidence was admissible, or of any value; in fact, in my opinion, the subject was not one for the Royal Commission. The fact remains, however, that this employé gave evidence, which, in my opinion, he thought was absolutely correct. The evidence was not clothed in offensive language; but, for giving it, this man was discharged after twenty years' service.

Senator FRASER.—Should the man not have seen that the evidence was correct before he gave it?

Senator STANIFORTH SMITH.—The man simply told the Royal Commission that he had been so informed; and since

then the persons who gave him the information have made statutory declarations that his statements are true.

Senator MILLEN.—Those statutory declarations were made beforehand.

Senator STANIFORTH SMITH.—That only strengthens my position.

Senator TRENWITH.—Why discuss the question at the present time?

Senator STANIFORTH SMITH.—The tobacco trust has a number of apologists, who do not like the question to be ventilated, but I am going to say what I think on the matter. It is a gross breach of the powers, privileges, and rights of Parliament for a witness to be dismissed for such a reason as that he had given evidence before a Royal Commission.

Senator GRAY.—What would the honorable senator have done had he been the employer?

Senator STANIFORTH SMITH.—I should have put forward witnesses to disprove the statement. If the statement was wrong, the foreman could have been called upon to give evidence in disproof. That was the proper course for the firm to adopt; but instead of taking that course, they called upon the man to apologize for stating what he believed to be the truth.

Senator Sir JOSIAH SYMON.—No; they had previously asked the man to disclose the statements which had been made to him, in order that they might be substantiated or otherwise by inquiry if necessary.

Senator STANIFORTH SMITH.—The statement made to the Royal Commission by Stone was worded respectfully enough, and was to the effect merely that he had been told so-and-so. The fact cannot be contradicted that, because he made that statement, he was dismissed.

Senator Col. NEILD.—That is not so.

Senator STANIFORTH SMITH.—If he had not made the statement he would not have been dismissed.

Senator Lt.-Col. GOULD.—He refused to verify the statement, or give any opportunity for inquiry.

Senator STANIFORTH SMITH.—That may be so, but, at the same time, he was dismissed because he had made the statement. In any inquiry that is made both sides must be heard, the firm as well as the employé; but as a matter of principle, if we allow firms to dismiss employés who dare to give evidence before Royal Commissions, which are *de facto* appointed by the Parliament, though nominally by the

Crown, we shall bring about an extraordinary condition of affairs. We shall institute a reign of terror amongst employés. If it were necessary to inquire as to a monopoly or anything else thought to be injurious to the public interest, firms could declare that if their employés gave evidence the latter would be dismissed.

Senator GRAY.—The honorable senator is trying to raise a reign of terror amongst employers.

Senator STANIFORTH SMITH.—In this case, a man was dismissed because he told what he believed to be the truth.

Senator Col. NEILD.—That is not a fact.

Senator STANIFORTH SMITH.—I say it is a fact.

Senator MILLEN.—Senator Pearce does not affirm that.

Senator STANIFORTH SMITH.—The firm dismissed the man because he told what he believed to be the truth.

Senator Col. NEILD.—Senator Smith would know differently if he had listened to Senator Pearce.

Senator STANIFORTH SMITH.—If this sort of thing is permitted without any inquiry or protest from Parliament, any employé will be liable to dismissal if he dares to give evidence against the interests of his employer, and the result will be a reign of terror. What did the House of Commons do in a very analogous case? When some men were dismissed for giving evidence before a Royal Commission, the directors of the company concerned were brought to the Bar of the House and made to apologize for their action, severe strictures being passed on them for daring to discharge a man under the circumstances. Have we no right to make inquiry when we find the House of Commons adopting such an attitude? To hear some honorable senators talk it might be thought that to dismiss an employé in such a way, without inquiry, is perfectly right. I repeat that this man was dismissed because he said what he believed to be perfectly true. I hope that the Government will institute a very searching inquiry.

Senator Col. NEILD.—Does not the honorable senator know that the English case was not the case of a Royal Commission, but of a Select Committee?

Senator STANIFORTH SMITH.—That only makes my case all the stronger. If, in the case of a Select Committee, the House of Commons takes such drastic action, we are more entitled to take drastic

action in the case of a Royal Commission, which is clothed with greater powers.

Senator DE LARGIE (Western Australia) [3.31]. — I think that after Senator Pearce's very impartial statement of the case, and the Minister's promise of an inquiry, it would have been better to have allowed this matter to drop for the present, but certain statements have been made to which I think it only right to make some reply. For instance, Senator Gould said that it is a mere farce to bring the case before the Senate. Senator Gould may look upon the matter as a farce, but to this man, who has to seek employment in an industry which is in the hands of a monopoly, it contains very little of the farcical element. It is rather a tragedy than a farce to him.

Senator GRAY.—Otherwise it would have been a tragedy to the foreman.

Senator DE LARGIE.—I do not know sufficient of the case to be able to comment upon the position of any one. I look at the matter from the stand-point of Mr. Stone. He gave the evidence before a Royal Commission, which practically was appointed by the Senate, and before which witnesses were supposed to be safe in giving evidence. We know how difficult it was to get witnesses. The retailers in this trade were actually afraid to come forward. Why? Because they realized that they could be shut down upon. Mr. Stone was put forward by his Union to give evidence, and for that act he was afterwards boycotted. He has not an opportunity of going to another firm, because the whole of this tobacco business is practically in the hands of a monopoly. Is that a farce to Mr. Stone? It is a very serious matter, and the Senate is quite justified in getting a review of his treatment.

Senator WALKER.—He should have given the names of his informants?

Senator DE LARGIE.—When the evidence was given, Senator Gray, who was on the Royal Commission, did not question Mr. Stone, nor did the people directly interested challenge his statements. Again, the statements which were made before the Arbitration Court were not challenged there.

Senator PEARCE. — Where the firm were represented by counsel.

Senator DE LARGIE.—Would not Mr. Stone have acted very foolishly if he had made statements outside which were likely to lead to the initiation of legal proceedings against himself? On two occasions he made the statements in places where his

employers could have refuted them if false, or taken whatever action they thought fit, but they did not do so. The man is now boycotted, and we have a just right to ask that his case should be investigated by the Government. I do not wish to say who is right or who is wrong, but I think that the Government would be failing in their duty if they did not come to the rescue of a witness in this position.

Senator Sir JOSIAH SYMON (South Australia) [3.40].—Although I agree with a good deal of what Senator Trenwith said, the substance of this motion involves a good deal more than the immediate question in connexion with Stone. Every one of us is so imbued with the sentiment and determination that a witness, honestly giving his evidence, shall be protected in all circumstances, as he is in our Courts, and as he is in bodies which institute inquiries analogous to those heard in our Courts, that the temptation to bring forward matters which may concern the Chamber in relation to an infringement of that good sound rule is very great. Although, having heard the facts, I think it would, perhaps, have been wiser if the matter had not been brought before the Senate, still, as I have said, the temptation to take that course is very great, and the necessity of calling attention to any infringement of that old rule is an excuse for any one doing it. No one can complain of the moderation of tone and statement which Senator Pearce displayed. It is what we expected from him: in this instance, the expectation has been fully realized. He stated the facts, read the letters, and mentioned what his desire was. I should have said nothing on the subject, probably, but for the remarks of Senator Smith. He did not exhibit that judicial mind, and quite that fairness in apprehending the facts, which we should have expected of him. When he stated emphatically that Stone was dismissed simply because he had given before the Royal Commission evidence which he believed to be true, he stated a point which Senator Pearce did not put forward and one which the facts submitted by that honorable senator do not support. Again Senator Smith was mistaken when he said that *de facto* it was a Royal Commission of the Senate. It may be *de jure* a Royal Commission of the Senate, but certainly it did not owe its power or authority to the Senate.

Senator STANFORTH SMITH.—No Royal Commission is appointed except at the instance of Parliament.

Senator Sir JOSIAH SYMON.—The appointment of a Royal Commission is a purely Executive act, and it is made entirely irrespective of Parliament.

Senator STANFORTH SMITH.—Is it not always initiated by Parliament?

Senator Sir JOSIAH SYMON.—No; it is the exception for a Royal Commission to be initiated by Parliament. It owes no allegiance to Parliament in any shape. Its reports are not presented to Parliament except after they have gone to the Governor-General, and then no doubt they are presented with a view to acquainting Parliament with the contents of the reports and the nature of the evidence. The Executive may bring down the reports to Parliament if they choose. A Royal Commission has in its essence and in its proceedings no relation to or connexion with Parliament, and no doctrine as to the privileges which concern a Select Committee has anything to do with a Royal Commission.

Senator STANFORTH SMITH.—Have there not been motions made in the Senate that a Royal Commission be appointed, and have not Ministers said that it would be appointed? Practically a Royal Commission is initiated by Parliament though actually it is appointed by the Crown.

Senator Sir JOSIAH SYMON.—That Parliament may request that a Royal Commission be appointed no one doubts, but the Governor-General or the Executive Government may or may not make the appointment. In England the Government appoint Royal Commissions by the thousand without reference to Parliament. Therefore the Imperial Statute to which reference has been made has no bearing on this subject, and the sooner we disabuse our minds of any idea of that kind the better. If we want to legislate on the subject so as to have a specific law we can do so, though I really cannot see what the Government mean by saying that they are going to have an inquiry. Of course that is a very easy way of getting over a motion of this kind. I cannot understand what inquiry there can be unless they appoint a Royal Commission or get a Select Committee of the Senate to investigate—what? Whether an employé of a tobacco company has been dismissed for just cause or not. Surely nothing of the kind will be done! My honorable

friend said that the Attorney-General would be consulted. What can the latter do? He can do nothing apart from a specific violation of a law. If an employer discharges an employé the latter has his remedy, but it is not a matter for Parliament to interfere with. Parliament may legislate and the Arbitration Court may inquire, but short of the tribunals which Parliament has appointed it does not seem to me that any inquiry can be more than a mere caprice. No result can possibly follow from it in this or any similar case. Let me recall the simple facts of Senator Pearce's statements. I feel strongly that a witness before a Royal Commission should be protected absolutely.

Senator O'KEEFE.—According to the honorable senator's statement there is no power to protect him.

Senator Sir JOSIAH SYMON.—There is plenty of power in another way. The particular portion of Stone's evidence which was referred to was entirely gratuitous. As Senator Pearce has said it was quite irrelevant to the subject-matter of the inquiry. Probably it was so regarded and was not further pursued. It certainly had no bearing on the question of the tobacco monopoly. Whether it was an honest statement made in good faith or not, it was a gratuitous and wanton statement, irrelevant to the subject-matter of the inquiry.

Senator PEARCE.—It had an indirect bearing on it.

Senator Sir JOSIAH SYMON.—I will say that it had a little bearing on the matter, and to that extent it was at least gratuitous. Let us be fair. What was the gratuitous statement? It was a statement imputing dishonest practices to the manager or foreman in this establishment. Nothing could have been more gross. Senator Pearce will, I am sure, admit that the statements, if true, not merely warranted, but demanded, the dismissal of the foreman.

Senator PEARCE.—He was acting by direction.

Senator Sir JOSIAH SYMON.—If my friend says that the foreman did this dishonest thing by direction of his employer that is a diabolical insinuation which the witness did not make. Every one of us must admit—even Senator Smith, who insinuated that we on this side are advocates of trusts, and I do not think that that was

a very nice thing for him to say—that that statement was slanderous in the last degree.

Senator STANFORTH SMITH.—I apologize for saying that.

Senator Sir JOSIAH SYMON.—It did a wrong to a fellow workman, and if it had been proved, the employers would not only have been justified but bound to dismiss their foreman. It was not merely an allegation of a dishonest practice, so far as the firm was concerned, but of a gross fraud; a fraud committed for a purpose. That was the kind of charge that was made by Mr. Stone—made, it is admitted from hear-say. If that evidence had been tendered before a court of law, it would not have been admitted, but before a Royal Commission there is, as Senator Pearce very properly said, greater latitude, and sometimes we might say, perhaps, a little less regularity. And necessarily so. No one can complain of it. Making these statements on hear-say evidence, Mr. Stone did not give the name of his informants. The next step was that the employers did a right and proper thing. I am bound to say that they did what they ought to do. They wrote, saying, "You must substantiate these statements. If you substantiate them, the foreman must go, but if you do not substantiate them you must go." They had a perfect right to do that; and, Mr. President, there is not a fair-minded and just man in Australia who would not say that the employers were perfectly justified in taking that course. If an employé gives evidence, in the course of which he imputes dishonest practices to a fellow-workman, he must either substantiate them or he must go. How could business be carried on otherwise? How could an employer keep a perjurer in his employment? He could not possibly do such a thing.

Senator STANFORTH SMITH.—How could Mr. Stone substantiate the statements?

Senator Sir JOSIAH SYMON.—I am afraid that my honorable friend's mind is not as judicial as it ought to be. This Mr. Stone was asked to make a statement publicly, not sheltered under the cloak of privilege, as a witness before a Royal Commission, but so that an action might be brought against him for slander. If he had taken that course it would have been possible for him to call his informants, and to substantiate what he had said. That was the only way in which it could be done. My honorable friend, Senator

Pearce very properly suggests that there was another way. If he will forgive my saying so, there was no other way. A prosecution for perjury would have been perfectly hopeless. A prosecution for making a statutory declaration in violation of an Act of Parliament would have been hopeless. The statement of Mr. Stone was made on information. The question whether the statement thus made was true or not could not have been investigated in the manner suggested. Therefore, with great respect to the view which my honorable friend, Senator Pearce has put, I think that Mr. Stone ought to have accepted the offer made to him. He ought to have said to his employers, "Certainly; I will make the statement to Tom Smith." It need not have been made publicly. Such a statement, so made, would have enabled an action to have been brought against him for libel, and he would then have had an opportunity to substantiate his statement. That was a perfectly fair and just offer, and Mr. Stone would have been well advised to accept it. Unhappily, he appears to have been advised to reject it. He refused to substantiate his statement. That is what it comes to. He was ill-advised also in respect of the letter from the union, in which, I think—I do not want to use any harsh term, because we are not here to sit in judgment—he evaded the responsibility which rested upon him of either substantiating the charge of dishonest practice or withdrawing it. He was given the alternative, and I think it was his duty—if I may say so with all respect—either to withdraw the statement, and comply with the reasonable request of his employers, or to take steps to substantiate it. The company wrote him a letter. He did not reply. He took no notice of it. He literally defied them. He said, "I will not withdraw the statement, and I will not substantiate it." In those circumstances, I cannot, for the life of me, see what other course they could have taken to protect their employés. We are not dealing with the question of trusts or no trusts, or with combinations or anything of that kind. We may ask ourselves, "What could an individual employer do under the circumstances, if he was satisfied that one of his employés had committed perjury against another?" Every one of us in this Senate would, I am sure, if a witness had been discharged for giving evidence before a

Commission, denounce such conduct, and would stand by any action taken for the condemnation of the employers who had dismissed the witness. But when, as in this case, a man refuses either to withdraw or substantiate a statement defamatory of another employé, it seems to me that no other course could have been expected to be taken.

Senator MCGREGOR (South Australia) [3.52].—One is inclined to agree with such a great legal authority as Senator Symon upon a matter of this kind; but his opinion only proves the difficult position in which an unfortunate employé stands under such circumstances as have been related. With respect to Senator Symon's statement that Mr. Stone's evidence was gratuitous, and had no connexion with the inquiry, I reply that it certainly had a connexion with it. Insinuations were made that women were doing the work of this monopolistic company, as it has been called, cheaper than men, and it was attempted to prove that women were more efficient than men. A trial was made. Whether it was a fair trial or not we cannot say. It was stated by this witness before the Royal Commission that the women were given an unfair advantage over the men. The man has been dismissed on account of that statement. It is idle to argue that he was dismissed because he would not substantiate the statement. If he had never given that evidence he certainly would not have been dismissed. No one questions the fact that he gave it in good faith. Now, it is said that he was dismissed because he did not reply to the letters of the company, and prove the statement he made before the Royal Commission. I want to know what right the company had to expect him to prove it. The evidence was given before a Royal Commission appointed by the Governor-General. If the witness gave it in good faith, it was the duty of the company to go before the Commission and rebut the evidence, not to ask the witness to make his statement outside with the threat that they would prosecute him if he did. How can witnesses be expected to go before Royal Commissions and give evidence on oath, swearing to speak the truth, if they know they are liable to be challenged by some powerful company, with a threat that it will prosecute them, and take them to the High Court, and possibly to the Privy Council afterwards? As far as I can see, the justice of the case would have been

met if a representative of the company had attended before the Royal Commission and rebutted Mr. Stone's evidence. If he had given false evidence, it would have been shown that he had done what was wrong. I have not the least doubt that the Government will make inquiries into the case, and do all that is possible to see that justice is done. Yet, I do not see how they can do justice to this man. The only obvious remedy is that which has been incidentally suggested by Senator Symon—for Mr. Stone to prosecute the tobacco monopoly for unlawful dismissal. But what possible chance would he have against so powerful a company? The expenses would be piled up. It would be a glorious thing for the legal profession, before the unfortunate man got any justice. Senator Symon, in his usual brilliant manner, took Senator Smith to task for declaring that the Senate was in any way responsible. But it must be remembered that a resolution was passed by the Senate dealing with the tobacco monopoly. There was much discussion on the subject all over Australia. Why was the Royal Commission appointed? Was it not in consequence of the resolution of the Senate? Most decidedly. Therefore, to talk of the Senate having no responsibility is all nonsense. With respect to the heinous crime Mr. Stone alleged against this firm, and for his evidence concerning which he was dismissed, I can speak with some amount of knowledge. I am surprised that Senator Gray, who has had much experience amongst working men, did not ask Mr. Stone, when he was before the Royal Commission, a few questions on this subject. The same thing as Mr. Stone alleged against the company has been done by other companies and firms. It is done by working men themselves. Better opportunities are given to some men to do work for purposes of comparison than are given to others. I have seen it myself. I have seen it in the course of work on an ordinary building. A man would be engaged on trial, and I have seen the labourers give him bats to build a wall with, whilst they gave others good bricks—just for the purpose of comparison. I have seen it done by Government inspectors and overseers. They would give a piece of soft ground to a good man to pick out in side ditching, and would form comparisons between what he did and the work of other men. Senator Fraser knows very well that it is done.

Senator FRASER.—I never saw it done.

Senator MCGREGOR.—I should not like to attribute anything but the strictest veracity to the honorable senator, but really, he knows very little about railway work if he has not seen it done. I know that it was done on the railway on which I worked in South Australia, where the work was carried out by his firm. I worked under the firm of Barry, Brooks, and Fraser, side ditching and side cutting, on piece-work. A good man was put on to a piece of work, and was given a soft thing to do. The piece-work rate was fixed according to the standard that this man fixed. I have been through the mill, and Senator Fraser is a very innocent man indeed if he does not know that the piece-work price is ordinarily fixed according to the work of an individual who is getting every legitimate advantage in setting the standard. I do not say that a fair firm would give the man an illegitimate advantage. It is done for the purpose of fixing the piece-work standard of payment. It is done to the knowledge of every man who knows anything about work.

Senator FRASER.—Would the honorable senator have a good man used badly?

Senator MCGREGOR.—The honorable senator cannot deny the correctness of my statement. That practice is followed everywhere.

Senator FRASER.—Nonsense!

Senator PLAYFORD.—Men set the pace.

Senator MCGREGOR.—Certainly they do. Senator Playford has himself had to set the pace with the spade. This practice was followed at the great institution in question for the purpose of proving that women were as smart as men, and the women were given an advantage over their competitors. That has been done in many other cases.

Senator GRAY.—Does the honorable senator know that the women are being paid the same wage as is given the men?

Senator MCGREGOR.—The women can easily earn the same wage, since they are given a better class of leaf.

Senator GRAY.—Why should that be done?

Senator MCGREGOR.—I do not think that honorable senators understand what really has been done. The trial was to extend over a month, to determine whether the men or the women were the most competent. At the end of each day's work all the refuse left by the women was mixed

with the material which the men had to work up the following day.

Senator MILLEN.—Is the honorable senator affirming that that was done?

Senator MCGREGOR.—No; I am only pointing out that that is the position as put to us. I am not affirming the statement, but I do not doubt its accuracy, because I have known such things to be done.

Senator FRASER.—“Suspicion always haunts the guilty mind.”

Senator MCGREGOR.—The honorable senator forgets many of these incidents; he must know that such occurrences have taken place. Although I have no knowledge of this case other than that which I have gained by listening to the debate this afternoon, my experience teaches me to believe that the practice referred to may have been adopted. The same trick has been played on me dozens of times, even when I have been working on Government jobs.

Senator WALKER.—But it never succeeded.

Senator MCGREGOR.—No; because I have always declined to work under such a handicap. These foremen were seeking to prove to their employers and the world at large that the women were better workers than the men, and they were carrying out the test in an unfair way. I cannot see what can be done unless the Government, as the result of their investigations, discover a method of compelling the company to do justice to this man. He will never get justice by means of the machinery at present in existence to deal with the case. He may seek a remedy in the Courts, but he has not sufficient means to enable him to carry his case far enough to secure justice. For these reasons I hope that the Government will make the promised inquiry, that a report will be submitted to the Senate, and that justice will ultimately be done to this unfortunate man. This is no farce, so far as he is concerned. He may hawk vegetables, if he pleases, but there is no possibility of his obtaining employment in a tobacco factory in Australia. Senator Gray has said that we are always finding fault with the employers. I have been a member of Royal Commissions appointed by the Parliament of South Australia, as well as by this Legislature, and heard both employers and employes give evidence. I have known Senator Dobson and others of the same school of political thought to declare that working men are all afflicted with the ca' canny trouble, and

are not prepared to give an honest day's work for an honest day's pay. I have heard hundreds of statements of that description. If the unfortunate employé is always "down" on the employer, it is only a case of tit for tat, judging by the examples we have had in the Senate and elsewhere of statements made by the one section against the other. It has always been the desire of the party to which I belong that no injustice shall be done to either an employer or an employé.

Senator MILLEN.—The party have successfully concealed that desire.

Senator MCGREGOR.—At all events, I hope that, as the result of the investigation promised by the Government, it will be impossible for such an injustice as that to which reference has been made to be repeated.

Senator Col. NEILD (New South Wales) [4.7].—I do not know how the Government can carry out the promise made by the Minister of Defence. Apparently, there are only two processes open to them—an inquiry by means of a Select Committee or by a Royal Commission. I rise to support an inquiry by the Government quite as much in the interests of the employers who have been so vigorously slandered as in the interests of the workman Stone. Some honorable senators have entirely overlooked the propriety of refraining from expressing an opinion on *ex parte* statements. We do not know anything about the men who have made the statutory declarations at the basis of the trouble. I do not think Senator Pearce gave us their names.

Senator GIVENS.—Yes.

Senator MILLEN.—If an inquiry be made, will Senator Pearce hand over these declarations to the Government?

Senator PEARCE.—I shall certainly hand over all the papers.

Senator Col. NEILD.—Then the debate has profited something, since we have the names of the men who made the original statements.

Senator MILLEN.—And it is more important still that we should have the actual declarations handed over to the Government.

Senator Col. NEILD. — Quite so. I hope that the inquiry by the Government will afford an opportunity for the overseer, who has been attacked, and also Mr. Shaw, to state their case. I express no opinion; for no facts have been put before us that would warrant any body of citizens, sitting

as a jury, pronouncing a verdict. I am not going to follow the unhappy example set by Senator Smith, and to express an opinion on the facts.

Senator GIVENS.—That example was also set by Senator Symon and Senator Gould.

Senator Col. NEILD.—I do not think that either Senator Symon or Senator Gould expressed an opinion on the facts; they confined their attention to an expression of opinion on the law relating to the matter. We may express what opinions we like on the law, but we have no justification for giving utterance at this stage to our views on the facts. Senator Pearce carefully steered clear of that mistake. I do not think any honorable senator could have brought the matter forward in a fairer or more straightforward manner. I have no complaint whatever to make against him. He stated what he understood to be the facts, and on that statement asked for Government intervention. I admit that there was no occasion for the heated harangues to which we have listened this afternoon. All of them were out of place. As the Government have undertaken to make an inquiry, we should let the matter rest. I shall be quite willing, at the proper time, to express an opinion, when I know what are the actual facts, and when the two sides, instead of only one side, of the story are before us. As an inquiry has been asked for on behalf of one person who is alleged to be injured, I think I am perfectly justified in urging an inquiry in the interests of the others who have been attacked this afternoon.

The PRESIDENT. — Does Senator Pearce wish to withdraw the motion?

Senator PEARCE (Western Australia) [4.11].—Before doing so, Mr. President, there is one point to which I desire to refer. It has been reiterated again and again by honorable senators opposite that the names of the persons making the statutory declarations were not disclosed before to-day. As a matter of fact, the firm in question could have asked a member of the Commission to call for the names of the persons making the charges. Another point is that we have here a letter addressed by the firm to Stone on 7th June, in which they say—

You did at the Arbitration Court repeat the charge originally made before the Royal Commission, but this time so far as to mention names in support of your evidence.

Senator MILLEN.—The mere disclosure of the names would not help the firm. Until they had secured possession of the statutory declarations they could not take legal proceedings.

Senator PEARCE.—The charge made against Mr. Stone by honorable senators opposite was that he made this statement, and did not disclose his authority for it. In answer to that charge I have read the letter written by the firm to Stone, showing that he not only repeated his statement in the Arbitration Court, but told them on whose authority he made it. I venture to surmise that he not only mentioned his authority, but said that sworn declarations had been made.

Senator MILLEN.—That would not help matters.

Senator PEARCE.—Before the question was raised in the Senate, the firm were in possession of the names of those who made the statement. That being so, it is idle for Senator Symon to say that they had no remedy.

Senator Col. NEILD.—They had only the gist of the statements.

Senator PEARCE.—They had the names of those who made them.

Senator Col. NEILD.—Probably, as the result of the disclosures made by Senator Pearce, the firm will take action.

Senator PEARCE.—In the circumstances, I hold that the firm had no grievance as to the non-disclosure of the names of the parties who originally made the statement in question. I am satisfied with the assurance of the Government that an inquiry will be made, and I have only to say, in conclusion, that I shall hand over to the Minister of Defence every paper I have used this afternoon. I am surprised that Senator Millen should have entertained any doubt as to my doing so. It was my intention from the first to hand over to the Government all the papers in my possession. I beg to withdraw the motion.

Motion, by leave, withdrawn.

STANDING ORDERS.

The PRESIDENT.—I have to lay on the table of the Senate a report by myself formulating and tabulating the decisions arrived at last session. It has been presented to the Standing Orders Committee, and adopted by the Committee to be laid before the Senate by myself.

Ordered to be printed.

PAPERS.

Senator KEATING laid on the table—
Provisional Regulations under the Electoral Acts.—Statutory Rules 1906, No. 42.

DEPORTATION OF KANAKAS.

Senator WALKER asked the Minister of Defence, *upon notice*—

In view of the difficulty of deporting all kanakas from Australia by 31st December, 1906 (excepting those possessing exemption certificates from the Queensland Government), and of its being illegal to afford even temporary employment after that date to kanakas whose engagements will have expired, will the Government take early steps to prevent such a state of affairs?

Senator PLAYFORD.—The answer to the honorable senator's question is as follows:—

The intentions of the Government with regard to the deportation of kanakas will be announced as soon as possible after the receipt of the reports of the Queensland Royal Commission now inquiring into the subject, and the advices that have been asked for from other sources.

PUBLIC SERVICE: SUNDAY WORK.

Senator MCGREGOR asked the Minister of Defence, *upon notice*—

Is the Government aware that the extra remuneration of a day and a half's pay for Sunday work, authorized by this House, is being discontinued by the Public Service Commissioner, and time off for only one day being substituted; and, if so, by what authority are the instructions of this House being overridden?

Senator KEATING.—The answer to the honorable senator's question is as follows:—

Inquiries have been made from the Public Service Commissioner, who furnishes the following reply:—

The resolutions passed by Parliament were to the effect that it is not desirable to employ public servants more than six days a week, but when they are, and have to attend on Sunday, time and a half is paid for it, and the Public Service Regulations provide accordingly. Officers are, therefore, as far as practicable, given one day's rest in seven, but where this cannot be done; and a Sunday is worked, time and a half is allowed for it.

DEFENCE DEPARTMENT: ENGINEER.

Senator Col. NEILD asked the Minister of Defence, *upon notice*—

1. What is the rate of pay attaching to the position of Engineer Sub-Lieutenant recently advertised by the Defence Department?

2. What is the ruling rate of pay in the Australian Mercantile Marine attaching to the performance of duties such as are involved in the engineering sub-lieutenancy referred to in No. 1?

Senator PLAYFORD.—The answers to the honorable senator's questions are as follow :—

1. £150 for the first year.
2. I understand that the nearest relative position in the mercantile marine would be that of third engineer, and the pay of such a position is, I am informed, £14 a month.

MAJOR-GENERAL HUTTON : CABLE MESSAGE.

Motion (by Senator Col. NEILD) agreed to—

That there be laid upon the table of the Senate the remainder of the papers connected with the claim of Major-General Hutton, when G.O.C. Commonwealth Military Forces, to be paid the sum of One pound seven shillings and sevenpence halfpenny sterling in respect of a cable message having no relation to Commonwealth affairs.

GENERAL OFFICER COMMANDING : TRAVELLING EXPENSES.

Motion (by Senator Col. NEILD) agreed to—

That there be laid upon the table of the Senate copies of the vouchers covering the travelling expenses involved in the return laid before the House of Representatives on the 31st May, 1904, pursuant to an Order of the House dated 26th May, 1904.

NEW GUINEA: MR. J. R. CRAIG.

Motion (by Senator GIVENS) agreed to—

That there be laid on the table of this Senate a copy of the report of Mr. Atlee Hunt regarding the complaints made by Mr. J. R. Craig against the Government of New Guinea and against the manner in which he was treated by certain members of the said New Guinea Government.

FEDERAL OFFICES: RENTAL.

Motion (by Senator STANFORTH SMITH) agreed to—

That a return be prepared and laid upon the table of the Senate showing :—

1. The total rentals paid by the Federal Government for offices in Melbourne?
2. The rental paid for each suite of offices, giving each service separately?
3. The rental (if any) paid to the Victorian Government for Federal Offices?

GOVERNOR-GENERAL'S SPEECH : RIGHTS OF SENATE.

Senator Col. NEILD (New South Wales) [4.25].—I move :—

That the addressing to the Members of the House of Representatives only of paragraphs 12 and 13 of His Excellency the Governor-General's speech, at the opening of the present session of the Parliament, was in derogation of the position assigned to the Senate in the Commonwealth Constitution.

That as the constitutional status of the Senate has, on more than one previous occasion, been ignored in Vice-Regal speeches delivered to the Parliament, this Senate records its determination to, in future, decline consideration of any such speech containing a similar disregard of the position which this Senate occupies in and under the Commonwealth Constitution.

I submit this motion with an expression of great regret that it should be necessary for the Senate over and over again, by resolution and by deliberate action, to demand a due recognition of the position which it occupies in the Federal Constitution. In the four or five years that have passed, there has been sufficient action on the part of this Chamber of its insistence on its constitutional position being recognised, to have in all reasonableness rendered it needless for me to take the course which I feel it my bounden duty to take this afternoon. I do not wish to arrogate to myself the position of defender of the Senate, but, somehow or other, it has fallen to my lot on previous occasions to take action in this connexion. I do so again to-day in consequence of the remarkable manifestation of—I suppose the least offensive phrase I can use is—ignorance or neglect of the position to which this Chamber is entitled. I refer to paragraphs 12 and 13 of the speech of His Excellency the Governor-General at the opening of Parliament in this Chamber a few days ago. The paragraphs are as follow :—

GENTLEMEN OF THE HOUSE OF REPRESENTATIVES :

12. The Estimates of Expenditure originating from you will be framed with economy, having due regard to the magnitude of the area and interests under control.

13. Plans for the redistribution of your electorates throughout the Commonwealth have been prepared by Commissioners appointed in accordance with the provisions of the Electoral Act, and resolutions for the purpose of giving effect to the Commissioners' recommendations will be promptly submitted to Parliament for ratification.

When the question of addressing the House of Representatives only with reference to the Estimates was before this Chamber two years ago, special attention was directed by the present Minister of Defence to the words "your control," which then appeared. As the word "your" has been omitted on the present occasion, while some portion, at least, of the old objectionable paragraph has been retained, it seems clear that now there is no question of oversight or forgetfulness on the part of those responsible for the framing of the paragraph. Clearly they had the previous speech of the Governor-General before them, and on the

present occasion omitted the word "your," to which the present Minister of Defence directed attention two years ago. While there has been previous evidence of the ignoring of this Chamber's constitutional position in reference to finance, I think paragraph 13 in the speech is infinitely more objectionable. It is addressed to the House of Representatives wholly and solely, with reference to the representation of the people in that House. There is not the most impalpable basis of an excuse in the Constitution for any person, in framing a speech to be placed in the mouth of His Excellency, to cause him to address solely to the House of Representatives a message or words relating to that matter. Surely the Senate is not absolutely without power and without authority of representation. I think it as well to have at least half-a-dozen honorable senators in the Chamber when a question of this kind is being discussed. [*Quorum formed.*]

The PRESIDENT.—Will the honorable senator continue his remarks?

ORDER OF BUSINESS.

Government business, orders of the day, having been called on—

Senator Col. NEILD.—I think, sir, that there is a standing order which enables the discussion on private business to be continued.

The PRESIDENT.—If the honorable senator will refer to standing order 120, he will find that this course is imperative. It has always been our practice to call on orders of the day two hours after we have met. Of course, under that standing order the Senate can otherwise order if it likes.

Motion (by Senator Col. NEILD) proposed—

That Government business, orders of the day, be postponed until after the conclusion of the debate on notice of motion No. 1.

Senator O'KEEFE (Tasmania) [4.22].—I would ask Senator Neild to remember that there is standing in my name a motion dealing with a matter of considerable importance to a large number of persons. I do not know whether he will have any objection to the discussion on that motion being proceeded with after the discussion on his own motion is concluded.

Senator Col. NEILD.—I have no objection.

Senator PLAYFORD.—I have no objection to move that Government orders of the

day be postponed until after the consideration of private business.

Senator Col. NEILD.—I ask leave to withdraw my motion.

Motion, by leave, withdrawn.

Senator MILLEN.—Does Senator Playford mean that private notices of motion will be dealt with until Government business is taken up?

Senator PLAYFORD.—No, up to half-past six o'clock.

The PRESIDENT.—The honorable senator did not say that.

Senator PLAYFORD (South Australia — Minister of Defence) [4.34].—That is what was meant. In ordinary circumstances, Government business would not come on until after the dinner hour. I only intended to move that Government business be suspended until that particular time, so that honorable senators who have private business to submit, could occupy the time which is allowed by the Standing Orders. I move—

That Government business, orders of the day, be postponed until after the dinner hour, unless private business is previously disposed of.

Senator O'KEEFE (Tasmania) [4.35].—I desire to ask Senator Playford whether, if it is the wish of the Senate, he will allow the debate on a motion which is unfinished at half-past six o'clock, to be concluded in the evening?

The PRESIDENT.—The leader of the Senate has moved a motion which will not allow that to be done.

Senator PLAYFORD (South Australia — Minister of Defence) [4.36].—All I want is that private business may take precedence until the adjournment for dinner. If the debate on a senator's motion is not finished then, I shall be only too pleased to meet his convenience, if possible, by allowing a quarter, or half-an-hour of Government time, so that it may be concluded.

Senator O'KEEFE.—I am quite satisfied.

Senator MILLEN.—Will it not be necessary to suspend the Standing Orders to permit that to be done?

The PRESIDENT.—No, because standing order 120 allows the Senate to otherwise order.

Question resolved in the affirmative.

GOVERNOR-GENERAL'S SPEECH: RIGHTS OF SENATE.

Debate resumed.

Senator Col. NEILD (New South Wales) [4.40].—It was my intention to sub-

mit, in as brief a speech as I could, all the facts in connexion with this matter, but it will be more convenient, perhaps, if I assume that honorable senators will look up *Hansard*, if they so desire, and learn for themselves what has taken place. There have been at least two motions submitted here taking exception to the omission of all recognition of the Senate in Vice-Regal speeches. One of the motions was carried and the other was withdrawn on a promise that the thing should never occur again. There have been several resolutions passed here in connexion with Supply Bills, insisting upon a due recognition of the status of the Senate. I shall, therefore, merely refer to what took place on the 2nd March, 1904. On that occasion, there occurred these paragraphs in the Governor-General's Speech, and the extreme similarity of one of them to the first of the two paragraphs to which I take exception, in the recent Speech, is sufficiently remarkable to be worth notice. On the 2nd March, 1904, the Speech contained these two paragraphs—

13. The revenue derived from Customs and Excise has been equal to anticipations. As the incidence of duties under the Tariff contemplates the substitution of Australian for imported goods, no considerable expansion of such receipts under normal conditions is to be expected.

14. The Estimates of Expenditure will be framed with economy, having regard to the magnitude and importance of interests under your control.

Senator PLAYFORD.—That is an old stock phrase which we have been using for generations.

Senator Col. NEILD.—In the recent Speech we find this paragraph—

13. The Estimates of Expenditure originating from you will be framed with economy, having due regard to the magnitude of the area and interests under control.

Senator PLAYFORD.—“Originating from you” is true, is it not?

Senator Col. NEILD.—My honorable friend actually proves my case by his interjection. He says that it is the same old thing. On the 14th April, 1904, the Senate resolved, on my motion—

That an address be presented to His Excellency the Governor-General praying His Excellency that on all occasions when opening or proroguing Parliament, due recognition shall be made of the constitutional fact that the providing of revenue and the grant of Supply is the joint act of the Senate and the House of Representatives, and not of the House of Representatives alone.

On that occasion the Minister of Defence said—

I can assure the Senate that the same thing will not occur again.

Senator PLAYFORD.—I have explained the whole thing. I have asked the Senate to pardon me. I do not think that the honorable senator need rub it in any more.

Senator Col. NEILD.—My honorable friend knows that I am not saying one word which has a tinge of unkindliness towards him. But I do think that we have to go somewhat further in this matter than merely rely upon the memory of a most genial companion and most popular member of the Chamber, who, unfortunately, has shown either that he was away from the Cabinet meeting when the last Speech was put together, or that he clean forgot the matter. I am absolutely certain that he did not commit any breach of faith. I believe that had he remembered the matter he would have seen that what has happened should not take place. I am also satisfied that there must be some one in the service of the Government who is concerned in the preparation of these speeches, because there must be some one who deliberately does these things.

Senator PLAYFORD.—They follow the usual formula without thinking. It is an old formula.

Senator Col. NEILD.—I have here the statement of Senator Downer—

It is a direct and intentional attack upon our rights.

Senator Symon said—

Under the Constitution we are entitled to be consulted as to making the grant.

And with reference to a Supply Bill, Senator Playford said—

The House of Representatives have added words in which they claim precedence over the Senate.

My honorable friend was then in line with me in the motion that I carried for an instruction to the Committee. It was acted upon unanimously, and we sent back the Supply Bill a second time, until it was put in the form which acknowledged our status. The Minister said just now that this is only an old formula, but the very mischief is the introduction of the old formula here—the putting of old wine into new bottles. We have a new Constitution, and we are having Speech after Speech presented here, and, strangely enough, they all come from the same source of inspiration. There have been two other Ministries

besides those of Sir Edmund Barton and Mr. Deakin, but these things have only occurred under their *régime*. They did not occur with the Watson Government or the Reid-McLean Government.

Senator PLAYFORD.—The Watson Government never had a speech to prepare.

Senator Col. NEILD.—I am sure that if they had they would not have committed this error.

Senator PLAYFORD.—The Reid Government had no show; they only brought in a surprise speech.

Senator MILLEN.—In their prorogation speech the paragraph is in order.

Senator PLAYFORD.—That had been altered before they took office. We had agreed to the form, and that makes all the difference.

Senator Col. NEILD.—I suppose that there will be no opposition to the carrying of the first part of my motion. There may be some objection to carrying the second part—

This Senate records its determination to, in future, decline consideration of any such speech containing a similar disregard of the position which this Senate occupies in and under the Commonwealth Constitution.

That, I admit, is rather a strong phrase. It is no use to keep a house-dog merely to bark; if he has no teeth, get rid of him and buy a fresh one. It is of no use for the Senate to pass resolution after resolution with reference to the non-acknowledgment of its status, and to be satisfied with an empty demonstration of words. I think it is necessary for the Senate to be prepared to bite as well as bark. My motion certainly will do no one any harm, if it is carried. The framers of the Governor-General's speech in the future have merely to avoid that which we have over and over again affirmed to be objectionable, in order to give the dog no chance of biting. I hope that the motion will be carried as it stands, as a declaration of what our future intentions are, because, if, time after time, we are to pass resolutions asserting our rights, and do nothing to enforce them, the assertion is but as "sounding brass, or a tinkling cymbal." We accomplish nothing whatever by protesting over and over again if we have not the manhood to see the thing through.

Senator PLAYFORD.—We have not protested over and over again. The one protest related to His Excellency's speech in proroguing Parliament. That has been attended to. On this point action has been

taken once before. This may be said to be the second time. It was merely because of forgetfulness on my part, and because of the time that had elapsed, that the thing occurred again.

Senator Col. NEILD.—We are working under a new Constitution, and if the constitutional status of this Chamber is to be constantly ignored, it can only result in our failing to receive that respect to which the Senate is undoubtedly entitled. The Senate should insist upon its position being fully recognised by the other Chamber, and by whatever Minister may be in charge.

Senator MILLEN (New South Wales) [4.50].—I had anticipated that the representatives of the Government would have said something before I spoke. I merely desire to indorse the remarks made by my colleague, Senator Neild, when he affirmed that it was necessary to do something more than pass resolutions. The Minister of Defence has said that it is unnecessary to pass this motion; but he overlooks the fact that, although, in this particular form, it has only been once before submitted to the Senate, there have been other occasions when the same mistake or offence has been committed. It was the same in principle, if somewhat different in form, and for that reason I agree with Senator Neild that the time has really arrived when we ought, not merely to place a motion of this kind on record, but to do so with the determination to carry it out as far as we individually and collectively can. Judging from the fact that the Minister of Defence has not risen to speak, he appears to think that the statement which he made the other day will be sufficient. To my mind, it was sufficient when he made it, and I was content to let it rest with that assurance of the Government that the lapse would not be allowed to occur again. But, after listening to the remarks of my honorable friend, Senator Neild, I can but congratulate him on bringing the matter forward in this form. It will probably be remembered that, in speaking on the Address-in-Reply, I pointed out that little by little the power of the Senate was being whittled away, and that we were gradually drifting into a position in which we were in danger of being regarded as a subordinate House. It is our duty to put it on record that the Senate insists upon having its rights and privileges recognised and safeguarded. I accepted the assurance of the Government the other day that in future the representatives of the Ministry

in the Senate will take care that what we complain of is not repeated, and I feel satisfied that Senator Playford will have due regard to our rights. But, notwithstanding that, I trust that the motion will be carried unanimously.

Senator WALKER (New South Wales) [4.52].—My own impression is that mistakes such as have been complained about would not occur if there were in the Senate a fair share of Ministers holding portfolios. Although the Senate consists of half as many members as the House of Representatives, there are six Ministers with portfolios in the other House, whilst there is only one here. Had we had our fair share of representation in the Cabinet, or had we even had two portfolioed Ministers in the Senate, it would have been impossible for both of them to overlook the glaring mistake which has been made. I trust that the motion will be carried, and that, as long as the present Minister of Defence is in office, no repetition of the mistake will be made. It is unpleasant to have to stand up for the privileges of our House, but it is our duty to see that the Constitution is loyally observed.

Senator PLAYFORD (South Australia—Minister of Defence) [4.53].—I must admit that I do not believe greatly in forms, and do not attach so much importance to this matter as some honorable senators do. I have admitted all through, and I now admit, that the Senate has powers conferred upon it by the Constitution which place it in an entirely different position from that occupied by the ordinary Legislative Councils to which we have been accustomed. I have always stood up for the privileges of the Senate being properly attended to on every occasion when any important matter has been brought up; and when this particular question arose, about two years ago, I admitted that the proper position of the Senate ought to be thoroughly recognised. As I then pointed out, the position is something like this: In the framing of the Governor-General's speech the old forms that used to be adopted were employed. We just fell into the usual practice. In the Governor-General's speech opening the present session we say—

Gentlemen of the House of Representatives: The Estimates of Expenditure originating from you will be framed with economy, having due regard to the magnitude of the area and interests under control.

Those are the usual phrases which occur in almost every Governor's speech. When the

Commonwealth was first inaugurated, that form was followed. No objection was taken to it then.

Senator KEATING.—The substance is different in this instance, because the Senate is recognised in both paragraphs in which the House of Representatives is directly addressed.

Senator MILLEN.—But the words are addressed to the other House.

Senator PLAYFORD.—As the Senate cannot originate Money Bills, though it has quite as much power as the other House in passing them, I think it would be very much better if all words especially addressed to the House of Representatives were omitted. I have said that I will see about it on future occasions, and I repeat that I will do so. I made the promise two years ago, and I did see that it was attended to after then. A short time afterwards the Reid Government came in. The next time Parliament met a very short Governor-General's speech was delivered, and no reference was made to the Estimates or to economy. All that we were told was that a short measure would be passed dividing certain States into electorates, and that we should then be sent about our business. When I came into office again the matter escaped my memory. The framing of the Governor-General's speech in the manner complained of was not done intentionally. With regard to the second paragraph to which reference has been made, regarding the plans for the redistribution of the electorates, I do not think any harm has been done. The paragraph embodies a proper recognition of the exact position. The electorates are for the special representation of one House, and the statement there made is that the resolutions necessary to give effect to the Commissioner's recommendations would be submitted—not "to you," but to Parliament—to the two branches of the Legislature. I see no harm in that. I do not see why honorable senators should offer any special objection to it, because it absolutely states the facts of the case. My own opinion is, however, that it would be very much better if no special references whatever were made to the House of Representatives. Then there would be no trouble. I will take care that if in future references are made to the Estimates being framed on economical lines, the remark shall be addressed to both Houses. Having made that promise, I have taken care that my secretary is acquainted with

the facts, so that if I am not in my present position, he will bring the matter in the most prominent manner before any new Minister; whereas, if I am here I shall take good care that no mistake is made. I do not see that there is the slightest necessity to pass a motion of this kind, but if the Senate thinks that there is, I shall not call for a division. I hope, however, that Senator Neild will accept my assurance, and will withdraw the motion.

Senator Col. NEILD (New South Wales) [4.59].—So far as the Minister of Defence is concerned, I am quite prepared to accept his word, but I think it is desirable that there should be actually on record a resolution expressing the opinion of the Senate. This is a constitutional, not a personal, matter. It does not affect the Minister of Defence or any past Minister.

Senator MILLEN.—There is one part of the motion as to which no individual can give an assurance—the latter part of it.

Senator Col. NEILD.—There can be no assurance given as to the latter part of the motion; but I beg that Senator Playford will entirely appreciate that I hold him absolutely free from any imputation whatever, and regard the whole question as purely a constitutional one. I think it very much better that, the matter having gone as far as it has done, the motion should be placed on the records, than that we should have a kind of legislative still-birth as a result of a withdrawal.

Question resolved in the affirmative.

INTRODUCTION OF MICROBES: RABBIT PEST.

Senator O'KEEFE (Tasmania) [5]. — Before moving the motion standing in my name, I wish to thank Senator Neild for having allowed it to take precedence over that relating to another matter of which he had given notice. I desire at the outset, by leave, to amend my motion, which reads as follows:—

That, in the opinion of this Senate, as the introduction of the microbes proposed by Dr. Danysz for the destruction of rabbits in the State of New South Wales may prove inimical to human and other animal life of Australia, it should not be permitted except for laboratory experiments,

by adding the words—

until such time as Parliament or the Government, if Parliament is not in session, is satisfied that outside experiments will be harmless.

The motion will thus be brought into conformity with that passed by another place.

Motion, by leave, amended accordingly.

Senator O'KEEFE. — In moving this motion, I may say that I think it advisable that it should be dealt with by the Senate as early as possible, in view of the action taken in another place with reference to the subject with which it deals. I am disposed to regret that another place should have passed the motion in this form; but, since it has done so, I think it is as well that there should be unanimity of opinion between the two branches of the Legislature. The question has aroused considerable interest throughout Australia, and thousands of people have been waiting anxiously for the decision of the Parliament with reference to it. Dr. Danysz was brought to Australia, I understand, by a number of pastoralists in New South Wales, and at their expense, with the object of inoculating the rabbits with a virus that would prove fatal to them, and so stamp out the pest. It is admitted, however, that the success of the experiment is still problematical, and Dr. Danysz himself is not at all certain that the virus he has introduced will achieve the object in view. In support of this statement I quote the following paragraph from a sub-leader in the *Pastoralists' Review* of 15th March, 1905:—

Dr. Danysz, of the Pasteur Institute, has replied to the New South Wales Minister of Lands' invitation to visit Australia to inquire on the spot into the possibility of ridding the country of the rabbit pest, that he could come in April for five or six months with an assistant, and that the cost of his visit would be a fee of £600 per month from the day of his departure until that of his return to Paris, besides all the actual expenses of conducting the inquiry. Dr. Danysz considers that the first thing is to discover diseases which would not be dangerous to other animal life, and that the search for this might be expected to occupy a year. Then he would proceed to study the conditions under which it would be necessary to propagate these diseases among rabbits so as to obtain appreciable results; in other words, he would found a bacteriological institute in Sydney, which would be a branch of the Pasteur Institute in Paris, and carry on such investigations as seem advisable for discovering a disease suitable to the conditions of the problem. As we have said before, the difficulty of coping with the rabbit pest on so large a scale by disease renders it impossible to entertain much hope of any sufficiently contagious disease being discovered, but nevertheless Dr. Danysz's suggestion appears to us worth following up, in view of the magnitude of the result in case of success. We do not take it upon ourselves to assent to or dissent from his terms, and there remains a good deal of detail to be filled up by scientific consultation before

the Minister can definitely accept Dr. Danysz's offer, but the idea of practically forming a branch of the best bacteriological institute in the world at Sydney to study the problem on the spot strikes us as being on the right lines. It insures the application of the best scientific knowledge under the most favorable conditions, and we hope that Mr. Ashton will be able to arrange for carrying it out on practical lines.

I have made this quotation from a journal which is specifically devoted to the interests of the pastoralists.

Senator MILLEN.—And to the opinions of which the honorable senator does not often attach much importance.

Senator O'KEEFE.—That is quite beside the question. This paragraph shows that, in the opinion of the writer, who, it may be, is the editor of the *Review*, there is still some doubt in the minds of Dr. Danysz and the pastoralists of Australia as to the experiment proving effective. That being so, and since we know that other considerations are involved, we should be careful to take steps, as far as we may constitutionally do so, to obviate the dangers which might arise from the making of these experiments. I understand, from the information I have been able to glean, that a number of scientists are opposed to Dr. Danysz's views.

Senator MILLEN. — Can the honorable senator name them?

Senator O'KEEFE. — As I proceed I shall do so. The question has aroused much interest, and the Premiers of Victoria and South Australia were at one time opposed, not only to the original suggestion that the experiments should be made in a laboratory in Australia, but also to the carrying out of experiments on Broughton Island. It is stated also that the health officers of some of the States other than New South Wales have entered their protest against them.

Senator MILLEN.—The health officer of Victoria has not done so.

Senator O'KEEFE.—Is it not a fact that the Pasteur Institute, of which Dr. Danysz is a member, accepts no responsibility for his opinion with respect to this matter, and does not identify itself with it? The Institute has allowed Dr. Danysz leave of absence in order that he may prosecute his own private business, but it is not identifying itself scientifically with his opinions upon this subject. In an interview which he recently accorded to representatives of some of the Sydney newspapers, Dr. Danysz said—

Microbes to scientists to-day were like what trees were to a botanist. They had them all

classified. It was an ill-founded fear that in introducing disease amongst rabbits it might spread to stock.

Dr. Tidswell, the micro-bacteriologist of New South Wales, is of a different opinion. He assumes, I believe, that microbes belong to one family, are not easily, if at all, distinguishable, and may introduce diseases which have different symptoms, although the bacteria are practically identical. It is said, too, that diseases of this sort, passing through various hosts, may alter their form, their virulence, and their very nature, and that, consequently, a disease which in the rabbit may assume a certain form, may in a sheep or a human being assume an entirely different form. Dr. Anderson Stuart, who is, I believe, Professor of Physiology at the Sydney University, and also Dean of the Faculty of Medicine—

Senator MILLEN. — Has the honorable senator finished quoting Dr. Tidswell?

Senator O'KEEFE. — I have, for the present. Dr. Anderson Stuart, who was formerly President of the New South Wales Board of Health, and is, or was, Chairman of the Prince Alfred Hospital, said, in the course of a recent interview—

This is not a matter for New South Wales to act in alone, for if the experiments should result in a spread of disease, no frontier will exist in which to confine such disease.

As to the possible results of the proposed experiments, Dr. Anderson Stuart says—

They will find no organism that will exterminate the rabbits. All they can hope for is something that will be a superior kind of poison—superior in the sense of being a living organism that will be passed on from individual to individual, till, like every other organism of the sort, it loses its virulence.

It is interesting to note Dr. Anderson Stuart's opinion as to the effect of plague upon rats. In this connexion he says—

What can be more fatal to rats than plague? But plague does not exterminate the rats, neither will any organism exterminate rabbits. And whatever happens on Broughton Island there will still have to be experiments made in the interior of the continent.

Whatever may be the result of the experiments on Broughton Island, trials will have to be made on the Continent. Dr. Anderson Stuart's opinions on this question, therefore, are worth noting, because he knows the Australian climate better than does Dr. Danysz. He says that different climates may have a varying effect on the experiment, and that—

This means that if they succeed in exterminating or greatly reducing the rabbits on

Broughton Island, their methods may fail entirely when applied in the interior of the continent; but, on the other hand, if they fail at Broughton Island, upon the whole, they are more likely to fail in the interior. This is somewhat difficult to express, but putting it in other words, a negative result on the island is more likely to be associated with a negative result in the interior, than a positive result on the island is to be associated with a positive result on the mainland.

I have quoted these opinions to show that there is a lack of unanimity amongst scientists with regard to this important question. I do not intend to detain the Senate by making a long speech, but it seems to me that, since scientists have doubts as to the likelihood of these experiments being successful, we should proceed very cautiously. We are entitled to consider other phases of the question. If we cannot be assured that the introduction of the virus or the rabbit microbe will have the desired effect of killing off the rabbits—and I, in common with every one else, acknowledge that they are a parasite on a big industry, and a great curse in many parts of Australia—we certainly ought to pause. While we acknowledge the rabbits to be a curse in some parts of Australia, we have to consider another and very important aspect of the question. The rabbit industry, which is a very large one, is, I admit, what may be called a parasitic industry—it is parasitic in relation to another industry.

Senator FRASER.—The rabbit industry is quite legitimate if there is no risk elsewhere.

Senator O'KEEFE.—We ought not to run the risk of injuring, and probably completely destroying, one industry unless we are satisfied that the experiments will be of good to the other industry. Unless we are so satisfied, Parliament is justified in the step that has been taken elsewhere, and which I am now asking the Senate to take. The number of people employed in the rabbit industry throughout Australia is variously estimated at from 15,000 to 20,000, and it has been stated that the rabbits are being killed off at the rate of 4,000,000 a year. I do not know whether those figures represent facts, and I do not accept any responsibility for the statements. I do know, however, from figures coming from the New South Wales Export Department, that in 1905 the skins exported from that State represented a value of £93,000, while the frozen rabbits exported represented a value of £92,000. I am given to under-

stand that, in addition, there is a small export trade to South Africa, Western Australia, and even to the East, which is not recorded in the books of the Export Department, but which is approximately valued at £10,000 per annum. If these figures are correct, the export trade of New South Wales in rabbits and skins was worth £195,000 in 1905.

Senator WALKER.—It is said that for all Australia the trade is now worth £1,000,000.

Senator O'KEEFE.—I am now dealing with the only State in regard to which I have been able to obtain figures in the time at my disposal. The local sales of rabbits in New South Wales is estimated at £30,000 per annum.

Senator MILLEN.—Where does the honorable senator get the estimate? Is it his own?

Senator O'KEEFE.—It is not my own; it is an estimate supplied by persons engaged in the rabbit industry.

Senator MILLEN.—Will the honorable senator name his authority? We are getting such rash statements in the press, and occasionally here, that I would like to know the authorities.

Senator O'KEEFE.—I have no objection to name my authority, which is the firm of Curtis and Curtis, of Sydney. They admit that their view may be taken to be a biased one, seeing that they are engaged in the trade; but it is extremely unlikely that such a firm would supply figures that could be very easily refuted if incorrect. As I say, this firm estimates the internal trade in rabbit carcasses at £30,000 per annum, and the value of the skins locally at a similar amount. They also inform me that the trade in preserved rabbits represents about £5,000 per annum. I believe these figures to be given to me in absolute good faith, and I see no reason why I should not accept them as correct until they are proved to be otherwise. At any rate, the figures I gave in connexion with the New South Wales Export Department cannot very well be doubted. It will be seen that, according to the figures I have given, the total trade in New South Wales last year is represented by about £250,000. The same firm assures me that during the first half of the present year the New South Wales trade in rabbits, both external and internal, has increased by something over 100 per cent. That may seem an abnormal increase; but if that be the rate,

and it continues over the year, the trade for New South Wales alone may be taken as worth about £500,000 a year.

Senator MILLEN.—The total export trade from all Australia in rabbits and skins was worth £530,000 last year.

Senator O'KEEFE.—That generally confirms what I have said. If that were the total for all Australia, then the trade of New South Wales would, last year, approximate to £250,000, and will probably be worth £500,000 this year. There are thousands of poor people, whose children would probably never get a bit of flesh meat more than once a week, if then, but for cheap rabbits.

Senator MILLEN.—Does the honorable senator know that rabbits are dearer than mutton in Sydney?

Senator O'KEEFE.—If that be so, Sydney is the only place of which that can be said. In Tasmania rabbits are not more than half the price of other kinds of fresh meat, and in that State I know there are large numbers of people who are unfortunately circumstanced, and who, but for the rabbits, would not be able to obtain flesh food more than once a week.

Senator FRASER.—Rabbit is quite as good meat as mutton.

Senator O'KEEFE.—Exactly; I believe the rabbits have, over and over again, been pronounced to be wholesome food, and a considerable factor in the daily life of poorer families in Australia. In addition, an enormous external and internal trade has grown up in rabbits and skins. Still, as I said before, the industry may, from one point of view, be regarded as parasitic. In some portions of Australia, especially on the extensive pastoral runs in the larger States, the carrying capacity of the land has been very much decreased owing to the presence of the rabbits. That, however, is only seen in an aggravated form where the runs are very large; at any rate, it is nothing like so serious where there is closer settlement, with small holdings, and where wire netting and phosphorous poisoning have been resorted to. I have heard it said, not by town citizens, but by farmers, who have been interested for many years in the suppression of the rabbits, that wire netting, coupled with closer settlement, really form the best solution of the rabbit question.

Senator MILLEN.—Does the honorable senator propose to apply that solution to portions of New South Wales where there are four or five inches of rainfall?

Senator PLAYFORD.—That applies to good agricultural land, and not to poor or rough country.

Senator O'KEEFE.—I know that that opinion, which I regard as a very fair one, is held by farmers.

Senator MILLEN.—There is no difficulty in getting rid of rabbits on a 40-acre block, but what about the large areas of poor land?

Senator O'KEEFE.—From the interjections of Senator Millen, I take him to be a supporter of the proposed experiments.

Senator MILLEN.—Certainly.

Senator O'KEEFE.—I dare say that Senator Millen would really object to any restriction being placed on the experiments; at any rate, I gather that he is not quite favorable to the views I am expressing.

Senator PLAYFORD.—Senator Millen would not like to see introduced the microbe which affects the rats with bubonic plague.

Senator MILLEN.—Senator O'Keefe, apparently, would like to see that microbe introduced, because the bubonic plague brought about a big industry in New South Wales.

Senator O'KEEFE.—There is no doubt that the rabbit plague, if it is a plague, is prevalent in New South Wales and other parts of Australia; but we must not forget that the presence of rabbits has created a considerable industry, and it is the danger to that industry, along with the other reasons I have presented, which is the justification for the action I ask the Senate to take. We may assume that, immediately a cablegram goes from Australia to those parts of the world where our frozen rabbits are consumed, to the effect that these experiments are being tried outside the laboratory—

Senator MILLEN.—Do not prophesy.

Senator O'KEEFE.—I will prophesy. Immediately a cablegram goes to the effect that experiments are being tried outside the laboratory, whether on an island near the mainland, or on the mainland itself, it will undoubtedly have an effect on the purchase of our frozen rabbits.

Senator PEARCE.—Pretty much the same effect as the Chicago revelations have had on the meat trade.

Senator O'KEEFE.—The honorable senator very aptly says that there may be the same effect as that of the Chicago revelations on the meat trade in Great Britain. The meat trust people in America are crying

out bitterly about the enormous decrease in their sales of packed meat. If it is stated in the newspapers, or the impression gets abroad in Great Britain, that Dr. Danysz, or any other scientist, is experimentally inoculating Australian rabbits with the object of killing them off, the trade in rabbits will be seriously damaged. I do not intend to occupy the time of the Senate further. I believe that a majority of honorable senators are in favour of my motion, as amended in a form which will make us safe for at least a period of twelve months. I should have much preferred to see the motion carried in its original form in another place, and also in this Chamber. But if the motion be carried in its amended form, there will be safety from the danger I suggest for, I should say, a year, because the Federal Parliament, or if it is not in session, the Federal Government, will have some control over Dr. Danysz and his microbes. The effect of carrying a motion in each House, I take it, will be that the microbes will not be allowed to be taken outside the laboratory, and will, therefore, only be used for laboratory experiments until such time as scientific representatives of the Federal Government are absolutely satisfied, as well as Dr. Danysz, that there will be no danger of this disease being communicated to other animals. And, after all, that is, I suppose, the most important phase of the question. By that time we may, perhaps, be in possession of further evidence as to the exact value of the rabbit trade, internal and external, about which Senator Millen says there is a good deal of difference of opinion. We may be in possession of further evidence to suggest how far the existence of a large number of rabbits is an injury to the squatting industry. What I am complaining about is that this proposal, which emanated from a few people in New South Wales, was put before the people of Australia very suddenly.

Senator MILLEN.—Why, the honorable senator quoted from the *Pastoralists' Review* a statement that it was discussed fifteen months ago.

Senator O'KEEFE.—The honorable senator is only splitting straws. The knowledge of what was intended to be done did not come to the general public of Australia through the medium of the press until very recently, although, according to the *Pastoralists' Review*, a little circle of pastoralists opened up correspondence with

Dr. Danysz more than twelve months ago, and asked him to come here to conduct experiments. It is a very good thing indeed that the Federal Government did step in and impound the microbes. I believe that this action was taken against the wish of the Government of New South Wales. I understand that the latter intended that the experiments should be made outside the laboratory without any further ado.

Senator MILLEN.—The honorable senator is giving the lie direct to the statement of the Premier of New South Wales.

Senator O'KEEFE.—I do not know what statement Mr. Carruthers has made in that connexion, but is it not a fact that it was intended to try to restrain the Premier and Parliament of New South Wales by injunction?

Senator MILLEN.—An effort was made to do exactly what the honorable senator is trying to do here.

Senator O'KEEFE.—At all events, the correspondence discloses the fact that the Premier of New South Wales has been in favour of making these experiments outside a laboratory and on an island.

Senator MILLEN.—Not a single word can the honorable senator produce to justify the statement that anything would be done outside until inside work had proved the safety of the thing.

Senator O'KEEFE.—Until who had proved the safety of the thing inside—Dr. Danysz?

Senator MILLEN.—No, Dr. Tidswell, and any other competent man whom the Governments of the other States might like to send along.

Senator O'KEEFE.—I think it is well that the Federal Government have assumed control. I presume that there will be scientific men appointed to watch the experiments, who will be satisfactory to the Federal Parliament, and, therefore, to the other States, as well as Dr. Danysz and the gentleman who will be nominated by the Premier of New South Wales. Senator Millen knows that the action taken in each House of this Parliament has not been too favorably received by at least some of those who were instrumental in opening negotiations with Dr. Danysz.

Senator MILLEN.—How could they be?

Senator O'KEEFE.—They are quite at liberty to view that action in any way they like. My point is that it is a case of safeguarding the interests of the majority of

the people of Australia as against the interests of a few persons. While I regret that the addition has been made to the motion, I hope that in the amended form it will be acceptable even to Senator MilLEN, who seems not to be too favorably disposed towards it.

Senator MILLEN (New South Wales) [5.37].—Senator O'Keeffe has expressed some regret that circumstances have induced him to make an addition to the motion. To my mind it represented an utter absurdity in its original form. It proposed practically to allow the introduction of microbes for laboratory experiments.

Senator O'KEEFE.—Because they were already here.

Senator MILLEN.—Although they were in a sense here they were impounded, and the tubes need not have been opened. After the lapse of a few weeks the microbes would have died.

Senator O'KEEFE.—If Dr. Danysz had not been already here the motion would have passed in its original form in the other House, I think.

Senator MILLEN.—I am dealing with the motion as it is and the motion which was submitted to the other House, and which was to the effect that the microbes should only be allowed in for the purpose of laboratory experiments. What is the good or object of an experiment? What is the good of allowing an experiment if, before you know what it will show, you declare that you will allow nothing more to be done? What is the purpose of an experiment but to enable you to see whether you can do something more by-and-by? You test a thing to see whether it is good, bad, or indifferent. The motion, in effect, said, "We will allow the experiments to be made, but we tell you before you see the result, no matter what it is, we will not allow our precious rabbits to be touched." I think that, with the addition, the motion is one which can reasonably be considered. My only objection to the amended motion is that it leaves to Parliament the decision in the matter. I do not think that it is a competent body to decide a question which, after all, is a scientific one.

Senator PEARCE.—I presume that it will decide upon the evidence submitted.

Senator MILLEN. — I am inclined to think that, if Parliament were asked to decide to-day, instead of being guided by the statements of scientists, it would decide ab-

solutely upon the clamour which is being made by a little handful of men who are getting a living out of this industry.

Senator O'KEEFE.—A big handful.

Senator MILLEN.—The honorable senator says that from 15,000 to 20,000 persons are employed in the industry. I shall accept his figures, although I do not think that they are correct. Last year the total export from Australia was about £583,000, which, if 20,000 men are employed, gives £25 to each member of the great army which my honorable friend alleges is employed in the rabbit industry.

Senator O'KEEFE.—What about the internal trade?

Senator MILLEN. — What the internal trade is worth neither I nor any other man can state, therefore every one must make his own estimate. But if I add to that sum £100,000, it will be seen that the remuneration paid to this army only represents mere bread and butter for them. But, as a matter of fact, there are nothing like 20,000 persons employed in the industry. The real position of affairs is that in certain favorable centres—and in New South Wales one can count them almost on the fingers of his two hands—industries have sprung up, and as a result the rabbit industry has created certain interests. In these places there are not merely rabbiters, but townspeople, who profit by the distribution of their money. That is the whole secret of the agitation against the introduction of these microbes. There never was a whimper against their introduction when it was first mentioned, because the rabbit industry had not been started. The movement for the introduction of Dr. Danysz's microbes had made considerable progress. Meetings were held in Sydney. Senator O'Keeffe said that the people of Australia did not know of them until quite recently, but surely they must have been cognizant of what was taking place.

Senator O'KEEFE.—Sydney is not Australia.

Senator MILLEN.—I am not saying that it is, but I assert that there was not a country newspaper in New South Wales—and, so far as I know, in the other States—which did not make the public familiar with the fact that this proposal was afoot.

Senator O'KEEFE.—The honorable senator is entirely wrong in making that assumption, so far as the other States are concerned.

Senator MILLEN.—I do not know the condition of benightedness into which Tasmania may have fallen. I only know that in New South Wales there was not a single newspaper which did not make reference to this matter. The negotiations have been in progress for two years, and that fact has been commonly known for, at any rate, twenty months. What protest was there when, not on Broughton Island, five miles from the mainland, but on Rodd Island, in Sydney Harbor, experiments with microbes were carried out a few years ago? There was no protest entered because there was no rabbit industry in existence. There were no interests of a few people to be considered.

Senator O'KEEFE.—Were the experiments successful?

Senator MILLEN.—Certainly not. I am not dealing now with that question, and I have not affirmed that Dr. Danysz's experiments will be successful. I am pointing out that the whole of this agitation arose, not from fears on the ground of health, but from the selfish anxiety of those who, as the honorable senator admits, are getting a parasitical living out of the rabbit industry. If the agitation had been founded on the possibility of injury to health, surely health was much more endangered when experiments were being conducted on a little island in Sydney Harbor than they would be if conducted on Broughton Island, five miles from the mainland. It is a curious thing that it is only now that this agitation has arisen. I am not going to say that I particularly blame a large number of persons who had the wisdom to disguise their real object in the matter by making this appeal on the ground of public health. I want to quote to the Senate the opinions of authorities to justify the statement that there is no danger to the public health in what is proposed by the Government of New South Wales. Senator O'Keefe has referred to scientific authorities who differ from Dr. Danysz in the matter, but he quoted no one who affirmed that there was any danger to the public health in the experiments sought to be carried out. The first gentleman whom he mentioned, Dr. Tidswell, said in the report which was presented to Sir William Lyne — and Dr. Tidswell was not only an officer of the New South Wales Government, he was an officer who was called in to advise the Federal Department — that there is no possible danger to the pub-

lic health in what is proposed. The speech of the honorable senator—and I have no fault to find with it—proceeded on exactly the same basis of error as appears in so many of the statements which have been published in the press, and have been made from the platform, in regard to this matter. First of all, what is proposed? What is it that we have to guard against? One would assume from what is said that there was a proposal to let loose a certain disease amongst the people. What has been proposed by the pastoralists, what is contemplated by Dr. Danysz, and what has been permitted by the State Government? As a matter of fact, all that has been proposed is that an eminent scientist shall be allowed to carry out certain laboratory experiments on Broughton Island. Nothing more than that! It is true that it is contemplated, if the experiments prove successful—if it can be shown that there is no possible risk, not merely to human life, but to the fauna of Australia—that the experiments shall be carried further. But does the honorable senator tell me—does he wish to affirm—that if it can be shown beyond doubt from these experiments that this disease will exterminate the rabbits without injuring any one or anything else, the experiments should still be confined to the laboratory? Surely he will not go so far as that! If he does it justifies the statement which I have made, that the question really is whether this wretched little rabbit industry, worth half a million pounds, shall be conserved at the expense of the great agricultural and pastoral interests of this country.

Senator O'KEEFE.—Surely the honorable senator does not mean that the rabbits are going to kill the pastoral industry?

Senator MILLEN.—The honorable senator himself called the rabbit industry a parasite. If it is a parasite, what is it living on? It is living on the pastoral industry.

Senator O'KEEFE.—The honorable senator is trying to make out that it is a question of one industry being stamped out by another.

Senator MILLEN.—I say without hesitation that there would not be a pelt exported from Australia if the trapper of the rabbit paid for the grass which it consumes. It is quite certain that the rabbit industry, if unchecked, cannot last under present conditions for any length of time, because if

we are to have this as an established industry of the country, you are not going to have one man paying for the grass, and paying for the conservation of the water, and some one else walking off with the product, in the shape of the rabbit, and paying nothing by way of agistment—nothing for the grass which it eats.

Senator O'KEEFE.—Give us some figures showing the amount of loss involved by rabbits.

Senator MILLEN.—Does the honorable senator say that there is no loss?

Senator O'KEEFE.—The honorable senator talks as though other industries were being wiped out altogether by the rabbits.

Senator MILLEN.—And I repeat the statement. The question is simply this: that the rabbit and the sheep cannot run side by side, and this country has to make up its mind whether it will have the rabbit or the sheep.

Senator O'KEEFE.—They are running side by side now.

Senator MILLEN.—They are not.

Senator HIGGS.—Let the honorable senator ask Senator Fraser how he keeps down the rabbits. These people should fence in their properties.

Senator MILLEN.—Does Senator Higgs mean to say that any one could afford to put up rabbit-proof fences over a vast area in a country with a rainfall of only three or four inches? It is all very well to say "Fence in the estates and the rabbits will be kept out." But you cannot adopt that policy in the parts of New South Wales where the rabbits are doing the greatest mischief. You cannot deal with country of that kind as you would deal with country that is fit for closer settlement. It is country that is not merely totally unfit for closer settlement, but it would be an absolute cruelty to people to endeavour to settle them there.

Senator HIGGS.—How much country of that kind is there in New South Wales?

Senator MILLEN.—There are 80,000,000 acres in the western portion of New South Wales, from six to eight million acres of which have been abandoned recently.

Senator HIGGS.—How much have the holders of that land got out of the Government by means of subsidies?

Senator MILLEN.—If the Government has had to grant subsidies, it simply proves my contention as to the absolute poorness of the country.

Senator HIGGS.—I mean subsidies in the way of remissions and reductions of rents.

Senator MILLEN.—Surely it is an utter misuse of terms to speak of a subsidy when your tenant comes along and says, "I have become absolutely bankrupt on this property; I cannot live upon it"; and when the landlord turns round and says, "I recognise that I have been rackrenting you in the past, the property is not worth what you have been paying for it; I want you to continue to hold the land; do not go, and I will charge you a lower rent." Is that a subsidy? The State was mighty glad to do it. Thousands of pounds have been lost in the western portion of New South Wales, and scores of those who have invested their fortunes there have been ruined. I can give numbers of instances to the honorable senator; and if he thinks that there is a good investment to be had by taking up some of these lands, he is welcome to try it. I can tell him of properties upon which two or three artesian bores have been sunk, wool sheds built, and rabbit-proof fences erected, and yet they have had to be abandoned. I will give an instance. I know of one case in which £80,000 has been spent in improvements, and yet the property has been sold for £4,000. What are you going to do with country like that? Are you going to use it for closer settlement? How are you going to get rid of the rabbits? The moment we begin discussing this important question, honorable senators opposite say, "Oh! closer settlement!" But if they are under the delusion that such country as that is suitable for small holdings, I am not.

Senator HIGGS.—I thought the honorable senator believed in private enterprise; yet he is asking that the Government shall carry on these experiments.

Senator MILLEN.—I am not asking for anything of the kind. I want the State to get out of the way. It is private enterprise that desires to carry on the experiments. All that I would say to the State is that which a certain classical philosopher said many centuries ago, "Get out of the sunlight." And that is all that private enterprise asks. But I do say that it is a monstrous thing in this particular case, that the State should not only not assist those who are fighting for their lives against this rabbit plague, but should absolutely be urged to prevent private enterprise from endeavouring to find a remedy which it hopes will be effective.

Senator O'KEEFE.—Do I understand that the honorable senator is in favour of these experiments being conducted indiscriminately?

Senator MILLEN.—I am not, and I have never said so. No one objects to proper precautions being taken. My objection is that while every proper precaution is being taken, my honorable friend opposite and his friends would stop the experiments if they could from being carried on outside the laboratory, even if they proved successful. No matter whether the experiments justified further work or not, they would not allow them.

Senator HENDERSON.—We have never said that.

Senator MILLEN.—Senator O'Keefe's motion in its original form said, in effect, "We will only allow the microbes to be used in the laboratory."

Senator O'KEEFE.—Does not the honorable senator think that it would be wiser to confine the experiments to the laboratory until the result is known?

Senator MILLEN.—The motion does not say so.

Senator O'KEEFE.—The inference was clear enough.

Senator MILLEN.—I cannot appreciate the intricacies of my honorable friend's mind. I can only judge from what his motion says; and I take it to mean the absolute prohibition of the use of the microbes outside the laboratory.

Senator O'KEEFE.—The honorable senator knows very well that it is not so.

Senator MILLEN.—My honorable friends opposite know perfectly well that if they could stop the experiments in the interest of the rabbit industry they would do so. No one—neither Mr. Carruthers nor those associated with the movement and responsible for it, nor Dr. Danysz, nor any one else—ever proposed to do more than carry on laboratory experiments under proper safeguards. Yet, while that has been the proposal from the first, there has been this tremendous howl about it. If it were proposed to carry on the experiments in the open, I could understand the protests, but they have been made against the laboratory experiments, or there is no meaning in them at all. Of course, I can quite see that when honorable senators are brought face to face in public discussion with the facts of the case, they are bound to modify their motion. Now I want just briefly to show what has been said by

the leading scientific men of Australia about this matter. Senator O'Keefe said that several scientists had expressed averse opinions. He did not quote a single one.

Senator HENDERSON.—He quoted three.

Senator MILLEN.—He did not quote three in support of the contention that these experiments should not be carried out.

Senator O'KEEFE.—I quoted Dr. Anderson Stuart and Dr. Tidswell.

Senator MILLEN.—He never quoted Dr. Tidswell as to whether these experiments should be carried out or not. When he ceased quoting from Dr. Tidswell I asked him if he had finished quoting, and he said, "No, I will quote further later on." But he wisely forgot to do so. Honorable senators know, possibly as well as I do, that the Premier of New South Wales has not only announced the intentions of the Government, but has drawn attention to the law on the subject of microbes to show that there is no risk to the public, and that nothing can happen outside the laboratory until the experiments fully justify further operations. Mr. Carruthers has further specially announced that these experiments are to be carried on under the supervision of scientists appointed by the Government. Not satisfied with appointing his own scientists, he has invited the other Governments of Australia to send over scientists appointed by them to watch the experiments. This action on his part indicates that he was regardful of the interests of the other States. But what did the other States officers do? As showing that the various States Governments are satisfied with the steps taken by Mr. Carruthers, not one of them has elected to send an officer over to New South Wales. Dr. Norris, the Chairman of the Board of Health of this State—and I invite the attention of honorable senators to this statement, as showing that there is no risk to the public health, and, as against the quotations which Senator O'Keefe read, and which had no bearing upon the point at all—said at a meeting of the Board of Health in Melbourne—

Since the last meeting the public had been placed in possession of information which would allay any fear or panic that existed in the matter.

I can give further quotations from his statement if it is necessary; there is a great deal more to show that the experiments

can be safely carried out. Dr. Ashburton Thompson, who occupies a similar position in New South Wales, was written to quite recently by the President of the Western District Council of the Farmers and Settlers' Board, the head-quarters of which are at Dubbo. The President, Mr. Wurfel, wrote to know whether there was likely to be any danger to the public health from the introduction of these microbes. The reply of Dr. Ashburton Thompson was as follows:—

In response to your inquiry of the 2nd inst., whether there is ground for apprehending any danger to public health from the experiments in rabbit extermination about to be commenced by Dr. Danysz, I have the honour to inform you that, in my opinion, there is no such ground. The reasons are as follow:—

- (a) It has long since been arranged that no experiment shall be made in the open until it has been ascertained in the laboratory that the microbe to be employed is incapable of endangering the public health.
- (b) Because the microbes which must be employed are, as a class, harmless to man.
- (c) Because every kind of microbe likely to prove useful already exists in this country, in all probability: the object of investigation being not so much to discover a microbe which will kill rabbits (many kinds being already known and here present) as to learn in what way its virulence can be kept up, and the best way of practically applying it.

To which I would add that all such diseases among animals tend to die out, and although they do from time to time kill all of a number collected together in particular places, as, for instance, individual poultry farms, or individual large collections of guinea pigs, they don't spread and maintain their virulence over the country or over any considerable extent of surface area. The virus, when it has been selected, will have to be purposely carried by man from place to place, with great precautions necessary to keep it virulent.

Senator HIGGS.—Who is going to carry it over the 80,000,000 acres of land to which the honorable senator has referred?

Senator MILLEN.—It would be easier to carry than is phosphorized pollard. I have quoted the views of Dr. Norris, Chairman of the Board of Health of Victoria, and also those of the officer holding a corresponding position in New South Wales. I have already referred to the fact that Dr. Tidswell, in a report prepared for the Federal Government at the instance of the Minister of Trade and Customs, has given an assurance that there is no possibility of danger to public health arising out of the carrying out of the pro-

posed experiments. Honorable senators may be disposed to discount the authority to whom I am about to refer, but I think he knows as much, or a good deal more, about the matter than we do, and is not likely to have lightly staked his reputation by giving a public assurance unless he felt sure of his facts. I refer to Dr. Danysz himself. In a letter recently published in the press, Dr. Danysz has pointed out that there is absolutely no necessity for grave fear of any danger arising or of the disease spreading broadcast throughout the State. He shows that at the Pasteur Institute, Paris, the most deadly diseases known are experimented with daily, and students receive instructions there without dire results. Moreover, he tells us that—

The bacillus of chicken cholera has been introduced into California, and is now in constant use there for the purpose of decreasing the number of squirrels which for years constituted a serious menace to those on the land. The disease has had the effect of killing off thousands, and yet has not spread to other wild animals, nor have birds been infected in any way. Dr. Danysz cites other instances, and refers generally to his proposed experiments.

The doctor is not a man who would be prepared to lose his reputation easily. We may assume that he, like all other scientific men, is careful to pick his steps, and that he is indeed far more careful than those who are criticising his proposal would be. I cannot conceive it possible, nor do I think that any one who gives the matter a moment's consideration will do so, that Dr. Danysz, or any one in his position, would attempt to take any step unless he was absolutely certain that it could be taken with absolute safety.

Senator PEARCE.—The honorable senator will remember that Dr. Koch announced his cure for consumption before he was certain of his facts.

Senator MILLEN.—Dr. Danysz does not affirm that he is going to be successful, nor do I. It would be mere recklessness on the part of a layman to predict anything of the kind. When Senator O'Keefe was speaking I suggested to him the inadvisableness of resorting to prophecy. He prophesied, however, that once it was whispered in England or in European countries where our rabbits are sold, that we were trifling with microbes, our export trade in rabbits would fall off. It may be assumed that when we use the microbes in the open — if we ever do — the export trade in rabbits will fall off, but not until

then is any danger likely to accrue. The very object of taking the microbes into the open would be to stop the export trade in rabbits. No rabbits would be allowed to be exported once the microbes were used in the open.

Senator PEARCE.—We do not wish to lose our export trade, and at the same time to fail to get rid of the rabbits.

Senator MILLEN.—The need of anticipating such a contingency has been realized. The Government of New South Wales, recognising that alarmists might get to work in the old country, communicated with Mr. Coghlan, and directed him to be on the look-out for statements in reference to this question appearing in the public journals, and to contradict any that were incorrect. Mr. Coghlan has reported that he invited the representatives of the leading newspapers devoted to the game trade in England to investigate the matter, and that they sent to the Pasteur Institute in Paris a representative, who reported that he was quite satisfied from the assurances given him, that there was absolutely no cause for alarm. If there is one broad way of ascertaining how a trade views any question of importance relating to it, it is furnished by the journals devoted to that trade. And here we have Mr. Coghlan's assurance. The action taken by Mr. Carruthers shows that he is not acting recklessly in this matter, and the reply he has received from Mr. Coghlan—which appears in an official document—is a sufficient answer to the cry that has been raised. It shows that the trade at Home is not going to be alarmed unless some cause for alarm arises. When the microbes are being used in the open there will be no cause for alarm about the export trade in rabbits, because there will be no such trade. I venture to say that the Federal, as well as the State authorities, would stop the trade the moment the microbes were used in the open.

Senator O'KEEFE.—The honorable senator admits that it would be regrettable if the trade were injured until it was known that the experiment would be effective.

Senator MILLEN.—I admit nothing. If I had my way I would shut down the rabbit industry to-morrow. If those who are living on the industry are going to make it a vested interest, the people who own land will put a stop to it by refusing to allow rabbit trapping on their properties. That is a possibility of which we must not lose sight. At present the industry, as Senator

O'Keefe has said, is a parasite living upon the pastoral industry. Pastoralists and farmers, large and small, are at their wits' end to know how to combat the rabbit pest. While they have no objection to rabbits being trapped, and carried away, we may rest assured that if those who are earning a livelihood by taking away the grass-eaters are going to build up a vested industry, and oppose the efforts of pastoralists to secure a remedy, the latter will find that the only cure is to stop the industry. That is really what is happening to-day. In certain districts land-owners are declining to allow trappers to go on their property, feeling that by building up this industry they are preparing a rod for their own backs. It is rather curious to note that on the evidence of gentlemen who, we may presume, are impartial and competent judges, trapping is in no sense helping to lessen the evil. We have had in New South Wales, I am sorry to say, several prosecutions of trappers. Many trappers have been earning money from the trade in rabbits, and they have also been subsidized by the land-owners to carry on their trapping. We have had in New South Wales several prosecutions of men who, whilst receiving the subsidy from station-owners, and securing a profit by the sale of the pelts, have been releasing the younger rabbits found in the pit traps. That is one way in which the development of the industry of rabbit trapping is helping to perpetuate the pest. When I was drawn off the track by an interjection, I was about to quote from a report by an inspector of the Pastures Protection Board at Gundagai, one of the towns which has been making itself heard in connexion with this matter. The rabbit trade has been developed there, and naturally local tradesmen and those dependent on them are warm in their support of this great national industry. The inspector, after going through his district, appears to have reported to his Board, and to have had another tale to tell. He says—

Trapping as a means of destruction was proving a blank. Upon holdings where there was extensive trapping, and which were within a stone's throw of two freezing works, there were more rabbits than in any other parts.

If we have to rely solely upon trapping as a means of destroying the rabbits, the outlook for those who hope to keep Australia for legitimate farming is certainly not hopeful. I have yet to learn of any

holdings—apart from very small ones, close to railway lines, and possessing facilities for easy transit—that have been by this means kept clear of the pest for any period. Reference has been made to the value of the rabbit industry. The export trade in carcasses and skins last year was valued at £583,000, but even if the figures were doubled, to what would they amount? I wish to emphasize the point that the rabbit industry is living to-day under conditions that are unlikely to continue. It is impossible to believe that men are going to pay rents to the Crown year after year—as a large number of occupiers of Crown lands in New South Wales are doing—on the supposition that the grass is to be turned into wool and mutton, and the cash product put into their own pockets when their grass is being eaten by rabbits, and the profits derived from their sale pocketed by others. The whole system must break down. If the lands of Australia are to be preserved for grazing rabbits, in order that certain individuals may turn those rabbits into money, we shall have to re-adjust our land system; the Crown will have to be prepared to reduce its rentals on the understanding that the rabbits are to have free grass. I ask honorable senators to consider what this reduction of rentals would mean to New South Wales if we were to allow for the grass eaten by the rabbits there? Some one must pay for the grass so consumed. It is preposterous to imagine that one man is going to pay for the grass, while some one else walks off with the value of that grass in the shape of the rabbit that has fed upon it. What is the industry prepared to pay? A Mr. Benn, who has been making money by freezing rabbits, recently gave certain figures showing his turnover. I think he said that it amounted to something like £60,000 a year. What is he going to pay towards the rentals of the Crown tenants of New South Wales? Who has to pay the rent? The man who secures the product of the land in the shape of rabbits, or the man who is trying to fight the pest? These are problems which we ought to consider. When those interested in the rabbit trade come forward with a proposition to pay for the grass which the rabbits eat, they will be entitled to say that it is an industry. At present, like the rabbit itself, it is a plague. It is surely unnecessary to go into figures to illustrate the absurdity of comparing a little tinpot industry of

that kind with the great agricultural and pastoral industries of Australia. We have no means of determining the extent to which rabbits depreciate the carrying capacity of the country, but we have a means of forming an estimate which for practical purposes should be some guide. New South Wales has to-day somewhere about 40,000,000 sheep.

Senator FRASER.—More than that.

Senator MILLEN.—She may have, allowing for the lambing. I forget what were the returns for December last.

Senator GRAY.—There are 42,000,000 sheep in New South Wales.

Senator MILLEN.—But for the phenomenal seasons she has enjoyed New South Wales would be heavily taxed in carrying that number of sheep. She has had a phenomenal season, in common with other large portions of Australia—such a season, I suppose, as we have not had for many years. In spite of that, New South Wales to-day is fairly stocked with 40,000,000 sheep. But not long ago New South Wales was carrying over 60,000,000 sheep. However, I should tremble for the position of that State if it were carrying that number to-day, because, in spite of the phenomenal season, we should find the land overstocked. I do not say that the difference in the number of sheep is to be put down entirely to the rabbits, because much may be due to the long series of droughts which have to some extent depreciated the carrying capacity of the country.

Senator TURLEY.—Was not New South Wales greatly overstocked with 60,000,000 sheep?

Senator MILLEN.—If New South Wales were put into the position it occupied in the early nineties, and the rabbits were removed, the State would, with the present improvements, carry 60,000,000 sheep. Improvements have been going on steadily, and the multiplication of artesian bores alone has very materially improved the carrying capacity of the country.

Senator TURLEY.—The droughts were grass droughts, and not water droughts.

Senator MILLEN.—We have overcome the water difficulty. A drought which lasts as long as the last one did is bound to become a grass drought.

Senator TURLEY.—That was not so much a water drought.

Senator MILLEN.—We have met the water difficulty, but a large portion of New

South Wales is now occupied at a period when it could not have been occupied ten years ago at a similar period, if the conditions were the same.

Senator TURLEY.—New South Wales was overstocked with 60,000,000 sheep.

Senator MILLEN.—New South Wales was overstocked in the then condition of improvements, but I do not think it would be overstocked to-day, in view of the greater improvements, but for the rabbits. I admit at once that that is an estimate, but much has been done since the early nineties in the way of ring-barking—a most potent factor in increasing carrying capacity—and in the multiplication of artesian supplies. But for the presence of the rabbits, New South Wales could carry with comfort the same number of sheep that was carried with some distress in the early nineties. I am not going to assume that all the decrease is due to the rabbits, nor can I estimate how many rabbits eat the same quantity of food that is required by a sheep.

Senator FRASER.—Fifteen rabbits.

Senator MILLEN.—While fifteen rabbits may only consume the grass which one sheep does, I venture to say that they foul more country than a sheep.

Senator FRASER.—The rabbits make country impossible for sheep.

Senator MILLEN.—I cannot affirm to what extent the rabbits are destroying the carrying capacity of the country, but I say that the amount represented by the depreciation caused by them is far greater than that represented by the returns from the rabbit industry. Further, I say that the amount represented by that industry is not as much, if any greater than the amount expended in the efforts to destroy the rabbits. While a few individuals and a few towns, with freezing works here and there, may be making some profit out of the industry, from a national point of view that industry is a national loss both ways. It is a loss in reducing the income which comes in the ordinary way from the pastoral industry, and it is a loss inasmuch as the amount which it represents does not more than compensate for the expenditure in keeping the rabbits down to a workable minimum. The industry is not one we are entitled to consider. The question remains whether some means can be discovered by which a check can be discovered of a more economical character than those at present at our disposal. It

is only with that object in view that the experiments have been decided upon. I have said that to the motion, as amended, the only objection I see is in the fact that it makes Parliament the judge of what is a matter for the decision of scientific men. I should have been quite satisfied with the amended motion if it had simply said that, until assurances had been obtained from scientific experts, the Parliaments of the States and of the Commonwealth would watch the matter. I am afraid that, in spite of what the experts may say, this wretched little industry may once more manage to raise such a clamour as to make people believe it to be of much more importance than is really the case, and to that extent may influence the judgment of Parliament. It may interest honorable senators, who seem to be so fearful just now about the introduction of diseases—I admit we ought to be cautious—to know what is being done in other directions. I suppose that one of the greatest troubles we ever had in the fruit-growing industry is the codlin moth. Senator Playford knows something of this matter, because he once gave us a graphic description of the moth, which he affirmed was “running wild” in Western Australia.

Senator PLAYFORD.—So it was.

Senator GUTHRIE.—Senator Playford had never been there.

Senator MILLEN.—That did not prevent Senator Playford talking of the question with a great deal of confidence. The codlin moth was a serious pest, which caused great loss; but to-day the grub of that moth is being exported, in box after box, from New Zealand to California.

Senator PLAYFORD.—There is plenty of codlin moth in California.

Senator MILLEN.—Yes; but I desire to show what California is doing in a scientific way; and the information I have reads almost like a romance. In order to fight the codlin moth in California, the scientists there are raising a species of lady-bird.

Senator PLAYFORD.—No; the lady-bird will not stop the codlin moth. The lady-bird is a parasite to the red scale, and not to the codlin moth.

Senator MILLEN.—I shall deal with the red scale later on. The journal from which I am quoting, and which contains an official report, gives the Latin name for a species of lady-bird, the parasite which they are seeking to develop for the

purpose of destroying the codlin moth. The people of California experience some difficulty for a portion of the year in obtaining the food necessary in order to develop the parasite, which in turn is to prey on the mature codlin moth; and, therefore, in view of the varying seasons, it is sought to obtain from New Zealand the grub of the codlin moth which is used to feed the parasite, the latter in turn being used to destroy the mature moth. Suppose the fruit-growers in California had got on their hind legs and howled about the introduction of the codlin moth from New Zealand!

Senator GIVENS.—The cases are not parallel.

Senator MILLEN.—No cases are parallel when we do not want them to be. I say that the cases are parallel, inasmuch as in each we have a disease, the introduction of which is known to entail very considerable loss. Scientific men in California experimented, as we propose to do here, until they found the possibility of a remedy, and they have carried matters so far that, not content with raising the parasite in favorable seasons there, they take advantage of the varying seasons and import the codlin moth in order to feed the parasite.

Senator GIVENS.—The fact remains that they are not importing a new disease into California.

Senator PLAYFORD.—The codlin moth was prevalent in California before it was known as a pest in New Zealand.

Senator MILLEN.—I am not at all certain that the codlin moth is not one of the gifts that California owes to Australia.

Senator PLAYFORD.—I found the codlin moth in California in 1883, and it certainly was not then in South Australia. We in South Australia got the codlin moth from Tasmania.

Senator MILLEN.—A similar procedure to that in California is now going on in Western Australia in regard to the red scale. The Agricultural Department in that State is, according to the *Western Australian Agricultural Journal*, importing a small fly which preys on the red scale.

Senator PEARCE.—It is a ladv-bird.

Senator MILLEN.—According to the *Western Australian Agricultural Journal* it is not the ladv-bird.

Senator PEARCE.—A large number of ladv-birds are being used for that purpose in Western Australia.

Senator MILLEN.—But not for the red scale, I understand.

Senator PEARCE.—A parasite for the fruit fly is also being used.

Senator MILLEN.—I am speaking particularly of the red scale. I am not well up in this subject, but I would point out that mining, agriculture, and grazing all require the aid of science to-day. Mining and farming particularly are becoming matters of chemistry. To say, in relation to a matter so important as the future of the pastoral and agricultural industries, that we shall refuse the aid of science appears to me to be going back to the dark ages. All that is asked is that experiments shall be carried on under conditions which every scientific man declares to be safe—to carry on those experiments in the laboratory, and then, if it can be shown that they can be extended without danger to the public health or to the fauna of Australia, to so extend them.

Senator O'KEEFE.—If this outcry had not been made, was it not intended to carry out the experiments on the island?

Senator MILLEN.—Not outside the laboratory—that was never intended. The honorable senator appears to have got a contrary idea, as many other people have, owing to the clamour which has been raised, and to a great deal of irresponsible writing in the public press, and not to have taken the trouble to look into the matter for himself. All that was intended was that at first the experiments should be carried out in the laboratory. Microbes known to be fatal to rabbits, and which have been collected from rabbits, are in the laboratories in Sydney to-day. Dr. Tidswell himself, not long since, in investigating an epidemic in the Wyalong district, succeeded in isolating the microbe, which to-day is alive in Sydney, and, so far as I know, well. That may be the very microbe which Dr. Danysz proposes to use in Australia. If we prevent Dr. Danysz from opening the tubes he brought with him, it will be only a matter of a few months before he can develop other microbes to the same virulence from those already in Australia. If we were to block Dr. Danysz absolutely, and order his tubes to be thrown over the South Head, it would only delay him for two or three months.

Senator GIVENS.—He would have to be content with the microbes already here.

Senator MILLEN.—The microbes Dr. Danysz brought with him are exactly the

same as those already in the country, except that the virulence of the former has been more developed. Dr. Danysz would merely have to start work from the commencement, and develop from the local microbe. In view of the assurance given by the State Government, and by Drs. Asburton Thompson, Norris, and Tidswell, and in view of the attitude of the Federal Government, there is no necessity for this motion. I had hoped that Senator O'Keefe, in view of what has transpired in the last few days, would consider the propriety of withdrawing the motion, but the honorable senator has not done so. Although I regard the motion as much less obnoxious than as originally drawn, it still is, in my opinion, unnecessary, liable to be misconstrued, and likely to become mischievous under certain circumstances, and, therefore, it has my opposition.

Sitting suspended from 6.30 to 7.45 p.m.

DESIGNS BILL.

In Committee (Consideration resumed from 20th June, *vide* page 422).

Postponed clause 4 (Definitions).

Senator KEATING (Tasmania—Honorary Minister) [7.45].—I desire to refer to some criticism of the use of the word “industrial” in connexion with the word “design,” in this definition clause. It is used in the same sense as it is used in what is known as an industrial exhibition, or in what are known as the industrial arts. But it has not been imported into the Bill for that reason alone. Throughout the articles of the International Convention the term used is not “design,” but “industrial design.” It is industrial designs that the contracting parties have agreed amongst themselves shall be protected each within its own sphere. The word “industrial” is not put into this definition as a placard at all. The English Act was passed before the International Convention was entered into. But the Tasmanian Act has adopted the expression “industrial designs,” and I presume for the same reason as we do.

Clause agreed to.

Postponed clause 5 (When design deemed to be applied to articles).

Senator KEATING (Tasmania—Honorary Minister) [7.47].—It was suggested yesterday that the reference to the application of design contained in paragraph *b* was merely a repetition of the words contained

in clause 4 as a definition of designs, but the latter is purely a definition, and has no enacting value. In that clause we define what a design is, and in this clause we enact what shall be meant by applying a design. Subsequently, in clauses 12 and 30, we make reference to applying a design. If we did not set out here what was the applying of a design, it would necessitate a considerable enlargement of those clauses. As they stand at present this clause precisely sets out their effect. For instance, clause 12 enacts—

Copyright in a design means the exclusive right to apply the design.

Again, in clause 30, we provide that—

A person shall be deemed to infringe the copyright . . . if he . . . without the licence or authority of the owner of the copyright—

(a) applies the design, &c., or

(b) sells or offers or keeps for sale any article to which the design . . . has been applied in infringement of the copyright in the design.

In clause 5 we enact what shall constitute the application of a design. It is not in any way superfluous. Out of deference to the criticism of Senator Symon, I have gone carefully through the Bill. I find that this clause saves a considerable amount of verbiage, which otherwise would have to be used. Corresponding drafting was adopted in section 92 of the Trade Marks Act, and in a section of the Commerce Act.

Clause agreed to.

Postponed clause 26 (Certificate of Registration of Design).

Senator KEATING (Tasmania—Honorary Minister) [7.50].—At our last sitting reference was made to the fact that this clause made the registration take effect from the date of the lodging of the application. That seemed to be, on the face of it, out of harmony with the provisions of the English Act. Strangely enough, that Act reads as if the registration should take effect from the time of the registration, but on further consideration of the matter, it seems that it does not, in effect, do so. Section 50 reads—

When a design is registered, the registered proprietor of the design, shall, subject to the provisions of this Act, have copyright in the design during five years from the date of registration.

But there are rules under the Act, and the effect of them, it seems to me, is that the registration is dated back to the time of

application. At page 408 of *Coppinger's Law of Copyright* I find this passage—

The Principal Act gives to the proprietor of a design registered under that Act copyright therein for five years, dating from the day on which the application is received.

In a foot-note, the reader is referred to No. 20 of Designs Rules, 1890. The rules are not published with the Act itself, but in a separate volume. Rule 20 says—

Upon the sealing of a certificate of registration, the Comptroller shall cause to be entered in the register of designs the name, address, and description of the registered proprietor, and the date upon which the application for registration was received by the Comptroller, which day shall be deemed to be the date of the registration.

Senator BEST.—That is extraordinary.

Senator KEATING.—The Act provides that it shall take effect from the date of registration, and then a rule prescribes that when the certificate of registration is used the date of the application shall be put in the certificate, and that that shall be the date of registration. So that by the operation of the Act, and the rule in England, they arrive at a result which we arrive at by the direct operation of this Bill.

Senator MILLEN.—I wonder if the rule has ever been challenged?

Senator KEATING.—The text of the Act gives copyright in the design during five years from the date of registration, and then rule 20 makes the date of registration the date of application.

Senator MILLEN.—There are such things as regulations which are *ultra vires*.

Senator KEATING.—It is referred to in the text-book as the practice. I do not think that it has ever been urged that the rule is not in harmony with the general provisions of the Act, but it is thought desirable that we should harmonize our provisions and procedure as far as possible with the English law and procedure.

Clause agreed to.

Title agreed to.

Bill reported with amendments.

METEOROLOGY BILL.

SECOND READING.

Debate resumed from 20th June (*vide* page 439), on motion by Senator KEATING—

That the Bill be now read a second time.

Senator MILLEN (New South Wales) [7.55].—I am extremely pleased to see that the Government have redeemed the promise given twelve or fifteen months ago in this matter, and that at last we have the pros-

pect of a federalization of the meteorological work of the Commonwealth. I also welcome the indication afforded by the Bill of a decision to separate meteorology from astronomy. I cannot speak from the happenings in other States, but I know that in New South Wales the meteorological work has always been hampered by its association with astronomical research. We have had there at the head of the Sydney Observatory one or two very eminent gentlemen, whose training and inclination, unfortunately, have led them in the direction of astronomy rather than meteorology. I do not wish to in any way under-estimate or decry the benefits which must result from pursuing astronomy as a science. But it does appear to me that in a country circumstanced as Australia is, and in its pioneering stages, more practical and immediate advantage is likely to result from meteorological work than from astronomical work. For that reason, I have always regretted the association of the two branches, as it has been to the prejudice of meteorology. This is, as the Minister pointed out, an enabling Bill. I propose to invite attention to what appears to me to be its defects. Its value seems to me to depend entirely upon which of the two ways the power which the measure will convey is exercised. In the first place, we could have a federalization of meteorological work in absolute fact, or we could have the establishment of a Federal Meteorological Department, which would be subordinate to and dependent entirely upon similar institutions in the States. I wish to suggest to the Minister the grave danger which I think we should incur if we adopted the second of those courses. I listened with a great deal of interest and advantage to the extremely valuable speech of the Minister, whom, if he will permit me, I wish to compliment. But it was quite evident, whatever the decision may be as to the way in which it is proposed to administer the Bill, he has taken the very wise course of consulting both States Governments and States officials. It was in consulting them that he has evidently met with the first difficulty—the difficulty represented by the attitude of States Governments and States officials. But while I am quite prepared, as we all must be, to pay due regard to the opinions of States Governments and States officials, I think that there is a very great danger if, when the interests of Australia require it, we hesitate to override them.

Let me take the attitude of the States. It is a little contradictory, and, perhaps, not as conclusive as either the Minister or the Senate would have desired. I cannot help thinking that of late there has been a tendency to accept the decisions of States Governments as unduly binding upon the Federal Parliament. I am extremely desirous that in our legislative efforts we should, as far as possible, pursue lines agreeable to the States. But it does seem to me that we shall be sowing the seeds of future trouble if, when we can see a course clearly marked out as best in the national interest, we are persuaded from taking that course by undue regard to the wishes of those who control the States Governments. In this question an undue desire to follow the line of least resistance is manifest once more. I should like to make clear my object in suggesting what I regard as a weakness in this Bill. I wish to point out that wherever we have had joint action there has been more or less friction. I may refer to the efforts made in the earlier days of Federation to utilize State officers for the erection of public buildings. Friction arose there. We have another case now in reference to the Customs House, Sydney—a building utilized, as its name indicates, by the Customs Department, but also utilized by the State Department of Land and Income Tax. The Minister probably knows more about it than I do, but I am aware of the fact that a considerable amount of friction has arisen between the State and Federal authorities as to whether that building, used by both, is to be regarded as one of the properties to be transferred to the Commonwealth or not. We have also the matter of the deportation of the kanakas. There is some little trouble brewing there as to which Government shall do certain things. I only mention these instances to show that wherever we have points of contact there is always the possibility of friction arising. What I suggest, not only in regard to this Bill, but to all legislation, is that we should secure, as far as is practicable, as complete a separation of Federal and State functions as the circumstances will admit.

Senator FRASER.—We should increase the expense enormously by following that policy.

Senator MILLEN. — Not necessarily. True economy is to be observed by absolutely transferring the meteorological work of Australia to a Federal Department.

There may be cases—I can quite understand that there are many cases—in which economy may be promoted by joint action; and I am not at all advocating the appointment of two officers where one will do. But my point is that where we are undertaking new functions—as in the case of the recently-created Statistician's Department, and in the case of the Meteorological Department which we propose to create—one of two courses are open to us. We can either create the Federal Department as dominant, the States obtaining information and service from it, or we can leave the States Departments as practically dominant, and appoint Federal officers who will have to obtain all the information they want from the States Departments. It seems to me that to leave the States Departments, as this Bill proposes, exactly as they are, and to appoint one central meteorological observer, is to increase the expense without increasing the efficiency of the present service. I wish to avoid that. I have referred to the tendency, as it seems to me, on the part of the Federation to give way whenever there is a protest from a State against anything that is being done. Whilst there is that tendency on the part of the Federation, at the same time there is a tendency on the part of the States to keep control as far as possible of the services, to throw the cost on the Federation, and then to blame the Federation because, naturally, the expenditure steadily mounts up.

Senator FRASER.—That would not matter if the State expenditure were reduced, but what is rightly complained of is that new Federal expenditure is created, and that State expenditure is not reduced.

Senator MILLEN.—That is so; but I am not speaking of complaints from the electors, but of the complaints voiced by States Governments, who are the great offenders in the matter of extravagance, and are the very people against whose criticism I am now protesting. It is a fact that, although the States have been relieved of many of their services, they are to-day carrying on their business at greater cost than before Federation; and no State is a greater offender than my own in that regard. I was dealing with the attitude of the States Premiers; and, as showing that the declarations made by the Premiers are not to be taken as conclusive, the Minister has furnished me with a very happy instance. He quoted Tasmania, his own State, where we had the Premier making

a declaration in favour of a certain course being taken, whilst a short time afterwards, when the Government in question had been displaced, and another one had succeeded, an entirely different conclusion was arrived at. Neither in the first case nor in the second, however, was there any public expression of approval or disapproval, so far as I know. The sudden change of declaration on the part of the Government of Tasmania shows that we are not to accept as absolutely final and conclusive the declaration of any Premier. I cannot help thinking, that if there is anything in the elective principle at all, this Senate is better qualified to speak as to the opinion of the States, than is any State Premier, especially when dealing with matters of this kind, which really have never been before the electors; and nobody can say that they have been consulted on such a Bill as this. Therefore, we should not hamper ourselves unduly in regard to anything that appears to us to be wise and expedient, by the mere fact that the Premiers have arrived at a certain decision. I do not say that we should ignore their view altogether, because that is a term which might be misunderstood; but we certainly should consider the question apart from their decision. As to the opinion of the officers, I quite recognise that they are very able men, well qualified and equipped for their work; but I think we should be wanting in our duty if we accepted their decision in this matter, at any rate without a little inquiry as to the circumstances in which they arrived at it. These gentlemen at the present time are the peers of each other. They are the heads of independent Departments. Some of them have spent many years in building up their Departments and they naturally take a pride—an understandable pride—in the results of their work. We can quite understand, therefore, that when they came to consider the question whether they should practically recommend that their Departments, at present independent, should become subordinate, they were affected by some unconscious bias in the decision they arrived at. It was human nature that they should be. I am not saying this as a reflection upon these gentlemen, but am merely pointing out that the decision they arrived at is not one that ought to weigh with the Senate. Further than that, their decision indicates a narrowness of view which, I think, should

preclude the idea of our accepting them as safe guides. I refer to the decision in which they declared that no Government meteorologist ought to issue forecasts for conditions outside the borders of his own State. It seems to me to be little short of criminal, that any meteorological observer in this country, knowing of the approach of a storm which not only might mean damage to property, but, in the case of seafaring citizens, loss of life, should hold his tongue, and say nothing about it, merely to subscribe to the principle that he should not issue forecasts affecting conditions outside his own State. These considerations seem to me to justify the Senate in ignoring altogether the report of the meteorologists in conference. We may safely turn to the examples of America, India, Canada, and a large portion of Europe. We may assume that the meteorologists in those countries are free from provincial feeling in a matter of this sort. They have had years of experience of meteorological observations made over a wide area, and that experience has proved that such observations are more serviceable, economical, and reliable than are observations cut out into small areas. It is curious that, though our officials hesitated to affirm the desirableness of federalizing their work, they still showed the necessity for that federalization, because they recommended a certain course of joint action, which really was federalization in certain particulars. Apart from their recommendations, the very fact that they were at variance as to what ought to be done shows the necessity of some central control, and joint action. Therefore, although these gentlemen have met together and arrived at a decision adverse to the establishment of a Federal Meteorological Department, it seems to me that their report confirms the wisdom of this measure. There is another point which supports the Bill, and that is the evidence of a belief on the part of the heads of meteorological science in the necessity for international action and interchange of international data. The Minister stated last night that the Government had had communications from India asking for an interchange of cables furnishing data for the purposes of weather forecasts. The same has happened between America and Canada, and happens extensively in Europe. This shows the desirableness of the area of observation being made as wide as possible;

and we can only come to the conclusion that a wide area of observation adequately equipped and efficiently managed involves placing meteorological observation under Federal control.

Senator STANFORTH SMITH.—If we were to obtain meteorological information from India it would cost us 2s. 6d. a word.

Senator KEATING.—The Indian Government is prepared to pay the cost of cabling meteorological information from this country.

Senator MILLEN.—Senator Smith probably knows more about the cable business than I do, but I understand that there are such things as codes; and where you are dealing, as you would in this case, with certain well-known conditions, and have a constant repetition of certain phrases, the amount of information that could be conveyed by one code word would surely be considerable. The expense of cabling ought not to be great. Certainly I do not think it would be prohibitive. At any rate, I believe it would be one of the finest investments we could make. Speaking of India—although I wish the Senate to understand that I am not pretending to any meteorological knowledge—there is one matter that seems to me to be important from our point of view. It is well known that our monsoonal rains come from the north-west, and cross South Australia into Queensland, and sometimes into New South Wales and the southern States. At the present time, when the data upon which forecasts are founded is obtained, it is wired, I suppose, to Perth, Adelaide, Sydney, Melbourne, and the capitals of the other States. The result is that we have a multiplicity of telegrams giving the same facts, and we have different officers working out the forecasts from the same data. These forecasts are published in the same newspapers for the same people. If honorable senators turn to the daily newspapers they will see forecasts, not only for the State in which the information is published, but for the other States. For instance, the Melbourne papers this morning contain forecasts relating to South Australia, New South Wales, and Victoria. Queensland, I think, is not issuing them at the present time. All this is an unnecessary duplication. By a true federalization of this work, great economy would be secured. It would put a stop to the endless duplication of the telegrams to which I have referred. There is another reason why we

should take over this Department. I want honorable senators to understand that when I say that we should take over this Department, I mean, not the proposal in this Bill, but the absolute taking over of the whole of the meteorological work of the Continent.

Senator FRASER.—That is proposed.

Senator MILLEN.—I think not.

Senator BEST.—I think so.

Senator MILLEN.—The Minister said that this is an enabling Bill, and I shall point out what it will enable us to do. I shall welcome a declaration from the Minister—and it is to secure a declaration from him that I am speaking—that it is intended, not merely to follow the course adopted with regard to the Government Statistician, but to do something more. The Bill suggests that it is simply proposed to appoint one officer as a Federal Meteorologist, and to allow him to be dependent upon the several States institutions for his information. That is not the federalization of this work to which I am looking. I desire to see an absolute transfer to the Commonwealth of the several States Departments. I invite Senator Best's attention to clause 3, which provides that

The Governor-General may—

- (a) establish observatories; and
- (b) appoint an officer called the Commonwealth Meteorologist. . . .

That is the first clause in the Bill which suggests to me that the intention is to follow the course we have adopted with regard to the appointment of a Government Statistician. It suggests to me that we are to appoint one officer, leaving him absolutely dependent upon such information as the States officers may more or less grudgingly forward to him. That view is confirmed by Clause 5, which provides that the Governor-General may arrange for—

- (a) The transfer to the Commonwealth, on such terms as are agreed upon, of any observatory and the instruments, books, registers, records, and documents used or kept in connexion therewith;

That is perfectly right. It is extremely desirable that such a provision should be found in the Bill. But the clause continues—

- (b) The taking and recording of meteorological observations by State officers;

Senator BEST.—That refers to work done in outlying parts by States officials, such as railway officers.

Senator KEATING.—Some States railway officers do a lot of work for the Department.

Senator MILLEN.—That is so. But there are two alternatives. We might, on the one hand, merely appoint one officer, to be called the Commonwealth Meteorologist, as provided for in clause 3, and leave him entirely dependent upon the existing States observatories for his information; or we might allow him to get independent information, with the result that, whilst various observers throughout the States were wiring to him for Federal purposes, in order that he might issue a forecast for the whole of Australia, they would also be wiring to the States Meteorologists information to assist them in issuing State forecasts. Neither economy nor efficiency would thus be gained. I want the Government, in diplomatic terms, to say, in effect, to the Governments of the States, "We have passed a Bill creating a Meteorological Department. We wish to take over your Departments and your officers, and we shall be glad if we can arrange satisfactory terms with you." If the States Governments agree to the transfer, well and good. If they do not, the course open to us will be to appoint our own officers. It may be said that this would lead to duplication. I do not think it would. As soon as it was known that the Federal Government intended to have its own observers and its own officers, the States would willingly fall in with the arrangement. Here, again, the interjection made by Senator Walker that "human nature plays its part" comes in. The States are just a little bit jealous of being, as they think, shorn of any of their functions.

Senator FRASER.—This is not one of their functions.

Senator MILLEN.—The Constitution leaves the States Governments with power to carry on independent astronomical and meteorological observatories if they wish it.

Senator FRASER.—But the work is within our scope.

Senator MILLEN.—Certainly it is. If it were not, this Bill would not have been introduced. I wish to see a federalization in fact, and not the mere appointment of one officer, who will be, to all intents and purposes, subordinate to the States observatories. I wish the Federal Government to take over the whole business. In that way alone shall we be able to secure an

effective service. I would prefer to see no Commonwealth Department of Meteorology rather than that we should have one that was not truly Federal and effective. I have pointed out the trouble likely to accrue if we followed the course which this Bill would permit—if we simply appointed an officer who would become merely a recorder of the work already carried out in the various States observatories. I can see no use in appointing such an officer, unless, at the same time, we secure that the States officers shall become part of the whole machinery. If they were to carry on independently the work of issuing forecasts for the several States, there would be little use in appointing an additional officer, who would simply duplicate their work. The only justification for the appointment of a Federal officer would be the formation of the States observatories into one Department, where we should have uniformity of action and a central control. By such centralization very considerable economy would be secured in respect to the cost at present incurred in obtaining the necessary telegraphic information. I shall be very glad to hear the Minister give some indication of his views on the two alternatives which this Bill leaves open to the Government. Of course, the Minister would not care to say exactly what the Government are disposed to do, but it would be some comfort to me, and probably to other honorable senators, to know that they were favorable to the federalization of the Meteorological Departments of the States in fact as well as in name. I am sure we are all anxious to know whether they desire to secure a truly Federal control, or merely to appoint one officer to be called the Federal Meteorologist.

Senator FRASER (Victoria) [8.25].—I have listened with pleasure to the speech delivered by Senator Millen, and must say that I heartily indorse it. It is to be regretted that the whole of the States Departments of meteorology are not to be brought into line. It seems that it is proposed to appoint a Commonwealth Meteorologist who will have no power unless the States Departments choose to work harmoniously with him. I am afraid that our knowledge of human nature does not warrant the belief that they will. Laws relating to meteorology and astronomy are within the scope of the Federal Parliament, and I cannot see what objection there should be to the States Departments being

taken over and consolidated into one magnificent institution, which, if based on the lines of the departments of Canada and the United States, would be of immense value to the Commonwealth. When I was on the hustings I pointed out that we had six Agents-General when one ought to suffice, and six Astronomical Departments when one should be sufficient. When Mr. Wragge was the Government Astronomer of Queensland great confidence was shown in his forecasts by mariners, and also by pastoralists in most parts of Australia. Queensland got rid of him in an extraordinary fashion.

Senator TRENWITH.—He was too dear for Queensland, and the whole of Australia would not pay for his services.

Senator FRASER.—Queensland had struggled under a long and serious drought, and the Civil Service of that State suffered most severely in the retrenchment which thus became necessary. It was found imperative to get rid of really good men, because of the dilemma in which the State found itself.

Senator GRAY.—It was hardly as bad as that.

Senator FRASER.—It was quite as bad.

Senator GIVENS.—What could the honorable senator expect of the Governments of that day, which consisted of men of his own kidney?

Senator FRASER.—It is a pity that the Government are not prepared, as it were, to put their foot down, and to say, "We will take over the States Departments that we have power to federalize." I do not suggest that the States officials should be harshly treated. They would not suffer any loss of rights by being transferred, but those who had reached the retiring age should be pensioned off. In this way a great saving would be effected. People complain with good cause that we have six Agents-General instead of one, that we have six Departments of Meteorology when one would suffice, and that we are spending large sums in securing telegraphic information when the whole system should be simplified, amplified, and greatly improved. The producers, as well as the mariners of Australia, who, since the retirement of Mr. Wragge, have been lacking much information, would be greatly benefited by the establishment of one Federal Department. The forecasts issued by the Government Astronomer of New South Wales have certainly improved of late, but

the information at the disposal of our pastoralists and mariners in regard to the weather is not what it was in Mr. Wragge's time. That gentleman had a wider experience, and had made a very careful study of the subject. It is better that the Bill should not to be passed than that one officer should be appointed and left dependent on the States Departments for his information. We need a strong Government, prepared to take the bull by the horns.

Senator GIVENS.—The bull might take them on his horns.

Senator FRASER.—If the Government would only tackle him in a proper way they would find that he is, after all, only a very small animal. I do not suggest that these officials should be treated improperly or in a niggardly fashion. We have been in existence as a Commonwealth for five or six years, and this is one of the first matters of administration that should have been taken over. In Canada the Meteorological Department is looked to by the whole State. In Australia for many months we have had monsoons, and have been flooded with inches of rains, and yet we have had no forecasts, beyond, perhaps, a telegram, which should have been published long before if proper arrangements had been made to cover a wider sphere. The people are determined that this transfer, which would result in much saving, shall be made; and I hope that the reply of the Minister will prove satisfactory.

Senator BEST (Victoria) [8.32].—I agree with honorable senators in congratulating the Honorary Minister on his lucid speech in introducing this Bill. If I have any exception to take to the measure, it is that it is not sufficiently comprehensive in its terms. We are seeking to acquire jurisdiction in regard to some of the subjects specially committed to our care—to exercise our power to make laws for peace, order, and good government in relation to astronomical and meteorological observations. It is admitted that this is an enabling Bill, but it only enables us to take over the meteorological branch. In an enabling Bill we should, as far as possible, seek to take over all that we reasonably have an expectation of being able to acquire. Senator Fraser, I think, put the matter a little too strongly when he said that it was the duty of a strong Government to take over at once the administration of all these mat-

ters, quite irrespective of any objection or remonstrance on the part of the States Governments. That is not necessarily the contemplation of the Constitution. We may have abstract power to establish meteorological stations throughout Australia, quite irrespective of the stations which now exist, but I am sure that Senator Fraser would be one of the first to object to anything of the kind.

Senator FRASER.—Surely the States Governments would never object?

Senator BEST. — That is one of the points with which I intend to deal. If the principle I have indicated is acted upon, the friction created may have a very alarming effect. The time is specially opportune to take over the complete control of both the Astronomical and Meteorological Departments. It will be noticed that these are associated in section 51 of the Constitution; and, if I may so say, it is in the contemplation of the Constitution that they shall be taken over and dealt with together. I do not say that that should necessarily happen; but when we have an admission at the outset that this is an enabling Bill, coupled with the fact that the Premiers themselves have practically invited us to take over both branches, now is the opportune moment for us to fulfil the contemplation of the Constitution, and secure complete jurisdiction. I am not urging for a moment that it is essential that these two Departments should be dealt with together. I am urging that by the Constitution, the responsibility is cast upon the Commonwealth to assume jurisdiction; and I ask the Minister and the Senate to take advantage of the present specially opportune condition of affairs, though not by any overriding action on our part, or any autocratic assumption of power, to insist on securing jurisdiction that may be doubtful. When we have an invitation on the part of the Premiers themselves to us to take over these two Departments, it is our duty to fulfil the responsibility cast upon us.

Senator FRASER.—Surely they will never object?

Senator BEST.—But they have been objecting all along. Up to the present time the States have spoken with several voices; that is to say, various Governments have come into power from time to time, and we have heard the views of each particular Government. Now, however, we have a unanimous resolution of the Premiers, who are at present in power, and

with whom we have to immediately deal. Is there any likelihood of a more opportune time presenting itself for us to fulfil the contemplation of the Constitution?

Senator DOBSON.—The honorable senator is forgetting the report of the experts.

Senator BEST.—At this particular juncture I do not think it wise to pay too much attention to the reports of the experts; as Artemus Ward says, "There is a lot of human nature about man." I have the highest regard for those officials, whose representations are entitled to every respect in regard to their scientific knowledge, but in a matter of administration they must, as the Premiers themselves acknowledge, yield to the terms of the Constitution. I am strongly disposed to think that it would be a reflection on ourselves, and entirely our fault, if, by further organization on our part, and by a federalizing process, we could not make these Departments more effective than at present. It was thought by the framers of the Constitution that greater efficiency could be secured in this connexion.

Senator TRENWITH.—That was one of the reasons for Federation.

Senator BEST.—Exactly; and consequently, in a matter of this kind, I prefer to accept the advice of the Premiers of the several States Governments, and to co-operate with them. If that be the proper course, it is the duty of the Senate to invite the Minister to alter his Bill, so as to give the additional enabling power. This would not commit us to anything, but it certainly would enable us to carry out the Constitution. Senator Millen very properly urged that in many matters it is advisable we should act alone, and on our own responsibility. But we should somewhat hesitate, and be practically driven by necessity, before we do so. In this case, as I say, we have mutual co-operation, and thus we manage to avoid friction. The Government in the Bill before us, which I welcome most cordially, have adopted the wise policy of, first of all, proposing to appoint a Central Meteorologist. I was going to say that the Government ought to carry out the resolution of the Premiers' Conference, but I am debarred from that, because, if I remember rightly, that Conference declared that we must take over both or neither of the Departments. Still the process the Government propose is set forth in clause 5, under which they may make arrangements to take over the several stations as they now exist. That enables

the Governor-General to arrange with the Governors of the various States—that, of course, means the States Governments—to take over the stations.

Senator GRAY.—Would there not be more difficulty after than before?

Senator BEST.—But we do not, as a matter of fact, take the stations against the will of the several States.

Senator MILLEN.—Under the Bill the Commonwealth Government may leave the States observatories in the hands of the States; it is a matter of administration.

Senator BEST.—Undoubtedly, but I say that it is desirable to work with the States Governments.

Senator FRASER.—Unless those Governments are altogether unreasonable.

Senator BEST.—The scheme the Government propose in clause 5 is to make mutual arrangements with the States Governments to take over the several stations. But there is difficulty in this regard. While it is desirable to do so, the Bill makes the attempt, in the face of the express resolution on the part of the Premiers that they will not deliver up one branch.

Senator MILLEN.—The Premiers have not said that.

Senator BEST.—The Premiers have said that we must take both or neither.

Senator FRASER.—We should take both undoubtedly.

Senator BEST.—That is the point I am making. While I admire the process the Government adopt—a process which to my mind would be complete if it included enabling power to take over both branches—they are courting defeat in simply seeking power to take over one particular branch, in view of the fact that the Premiers have said we must take both or neither.

Senator MILLEN.—That is hardly stating the position correctly; what the Premiers affirm is that it is desirable we should take over both.

Senator BEST.—I speak subject to correction, but I understood the Minister to say that the resolution declared that we should take over both or neither.

Senator KEATING.—That is practically the effect.

Senator MILLEN.—The Premiers affirm the desirability of our taking over both, but they do not put the matter in the form of a demand.

Senator BEST.—I am putting the case as I understood it from the Minister, who now says that the effect of the resolution is that

we must take over both or neither. The Government have introduced a Bill to take over one particular branch, and, as the negotiations will necessarily have to be with the Governments at present in power—who have affirmed that we must take over both or neither—clause 5 may prove abortive for many years to come. If that be the position of affairs, it is a cogent reason why the more comprehensive measure I have indicated should be passed. As to the necessity for national forecasts, notwithstanding the scientific advice of the officials who have reported in this matter, the opinion of the public, for whom we have to cater has, I think, established beyond all question that such forecasts are essential, and in the best interests of Australia. We know exactly how they were appreciated when, in a very enterprising manner, that eminent meteorologist, Mr. Wragge, by the aid of his Government, gave Australia the benefit of his splendid knowledge. Australia, therefore, looks for the accomplishment of this work at the earliest possible moment. I can quite understand, as Mr. Wragge has urged, that if he is furnished with the additional data which he desired, and which certainly is required, his forecasts must necessarily be infinitely more valuable. If he has a wider area to judge from, and better data is secured to him, then I understand from him that he may almost promise that about 95 per cent. of his forecasts will be verified. This is a matter of no small moment to Australia. It may mean thousands, if not millions, of pounds to its people.

Senator FRASER.—It means bread and butter.

Senator BEST.—It means bread and butter to an enormous number of the population. Consequently, we must not show any niggardliness, but act in a generous manner. If it should be our good fortune to secure the services of so eminent a man as Mr. Wragge, Australia will be greatly benefited by his experience and scientific knowledge in this direction. Experience dictates at once that these two great branches should be separated.

Senator FRASER.—Not necessarily.

Senator BEST.—Judging from the experience of other nations, it is desirable that these two great branches should be separated, certainly so far as their work is concerned, but that does not mean for one moment that both branches should not be taken over. The Federal Government may,

and no doubt would, work them separately if that was the more efficient manner of dealing with them. The Board of Visitors to the Melbourne Observatory have recommended that the astronomical branch should not be taken over, because they feel that the States observatories should maintain their present individuality. It would be rather a serious reflection upon the Federal body, if these institutions were to lose their efficiency or value by reason of having come under Federal control. I do not think for a moment that such a contingency is possible. It is quite true that we are justified in inquiring into the question of expense. Mr. Wragge must have stated the annual expense at a minimum when he estimated it at £10,000. Of course, it referred to meteorological work only, and certainly it would not include the cost of telegrams. But even if it were to cost £20,000 or £30,000, that would be a mere bagatelle, having regard to the magnitude and value of the work to be undertaken. In this connexion, it would be desirable for the Minister to supply us with some information, but he may assume that the Senate is not prepared to deal niggardly with the Government in regard to any proposals which they have to make. One point which must be impressed upon the Government by this debate is that, first of all, it is their duty to see that there is established, with the least possible delay, an effective meteorological service. If that is the object in view, then the most comprehensive manner in which it can be undertaken should be resorted to at once by the Government.

Senator TRENWITH.—The Bill gives all the power necessary, does it not?

Senator BEST.—My complaint is that it does not, and that unless the Minister is prepared to include the astronomical as well as the meteorological branch, then, in view of existing conditions, and the expression of opinion by the States Premiers, he will most seriously neutralize the value of the Bill. He will start with a very big handicap. He can, of course, appoint his Central Meteorologist, but the States Premiers have said that we must take over both services, or neither of them. The mere appointment of a Central Meteorologist will not satisfy the Senate, nor meet the requirements of Australia. Consequently, if the Minister purposes to go over the heads of the States Governments, and establish

separate meteorological stations, that will mean an unnecessary duplication of affairs.

Senator PLAYFORD.—That will not be our fault.

Senator BEST.—It will be the fault of the Government, because they have the answer of the States Governments in advance. If the Government do what I have suggested, the whole efficiency of the service will be at once impaired, and the whole object intended to be secured by the Bill frustrated.

Senator MILLEN. — Surely the Federal Parliament has another function than merely to carry out the wishes of some States Premiers?

Senator BEST.—Undoubtedly. What my honorable friend does not fully realize is that we have an expression of opinion that a mutual arrangement can be made.

Senator TRENWITH.—That is very tentative; it may be changed to-morrow.

Senator BEST. — That is a further reason why it should be taken advantage of immediately. It is not likely to be changed for the next six months. The whole of these arrangements and the taking over of both services could be completed within that period. The responsibility is cast upon the Government of immediately taking over both services while they have the States Premiers, who hitherto have been in discord, in accord.

Senator TRENWITH (Victoria) [8.53].—The contention that it is desirable and wise to provide in the Bill for taking over both the meteorological and astronomical branches is, to my mind, fallacious. The question with which the Bill deals is one of everyday importance to an enormous number of the citizens of the Commonwealth. If the meteorological branch can be taken over independently of the other branch, I think it would be wise to do so.

Senator FRASER.—The Constitution Act did not intend that one should be taken over, and not the other.

Senator TRENWITH. — It gave the Commonwealth Parliament power to deal with these questions, and at such times as might be considered to be convenient. In my opinion both branches are extremely important to the world, but meteorology is extremely important to Australian citizens. We may be in a position now to take over one branch, and yet consider it inexpedient to take over both branches. I

think, with Senator Millen, that there would be very little use in appointing an officer who would be completely at the mercy of the officials of the States. It seems to me that the Bill gives the necessary power. It is one to enable us to do something. It will not compel the Government to act if there does not appear to be a possibility of acting with economy and efficiency. But it will enable them, if an arrangement can be made, to take over and make efficient the meteorological services throughout the Commonwealth. That is a thing which is very essential if it can be done.

Senator FRASER.—I think it will be much more difficult to make the service efficient if we do not take both branches.

Senator TRENWITH.—I think it would be well, perhaps, to take over both branches, but I am not so sure about that at this stage. For that reason, I approve of the partial character of the Bill. Of course, the time will come, and probably not in the distant future, when the whole question of astronomy will come within the control of this Parliament. I believe that the Government are wise in proceeding gradually, and taking control as quickly as they can of that branch which is of daily importance to a very large number of our citizens.

Senator DOBSON (Tasmania) [8.56].—In listening to the very interesting and instructive speech of the Minister, for which I desire to thank him, it struck me that this Bill was drawn to meet the facts and the difficulties that he presented to the Senate. I should like to deal shortly with two criticisms which have been offered. The only real criticism of the Bill has come from Senator Best, who thinks that we are making a blunder in not giving power to the Government to take over the astronomical branch. I could not make out why that power was not taken in the Bill until the Minister read the report of the Board of Visitors to the Melbourne Observatory. These gentlemen point out that there is no connexion between the astronomical branch and the meteorological branch. They state that one does not depend upon the other, and that if both are taken over complications will arise. I quite agree with Senator Trenwith when he says that the meteorological branch is of practical importance to the life of Australia. The other branch deals with the matter of science. I do not know whether the Board

of Visitors raised the question in their report, but it appears to me that, as the best way of dealing with astronomical matters, one of our universities might establish a chair of astronomy and enlarge the astronomical work to a very considerable extent; or the universities might establish a kind of Federal professorship, and thus get the work done a great deal better than it could be done by the Commonwealth. Although I am not prepared to say that that would be the best course to adopt, I can see, with the help of the report of the Board of Visitors, sufficient reasons for not taking the necessary power in this Bill. I do not at all agree that, because astronomy and meteorology are joined together in one line of the Constitution, we must not take over one without the other. I do not think that that was intended. We have a perfectly free hand to take over either one branch or both branches, just as it may suit us to do. The more practical criticism against the Bill came from Senator Millen when he suggested that we may have a Federal Meteorological Department in name and not in fact.

Senator TRENWITH.—I should say that is hardly conceivable.

Senator DOBSON.—I have not sufficient scientific knowledge to know what is the right thing to do, but I can quite imagine that when we come to negotiate with the States we shall find it just as well to leave some of them severely alone. I am not in the confidence of the Premier of Tasmania, but I believe that he decided this matter contrary to the decision of his predecessor, on the ground of economy alone. In Hobart we have a very efficient officer to attend to meteorological work, but he certainly does receive a starvation salary. I believe that the Premier of Tasmania said to himself, "My present one-man department, which is doing good and efficient work, will serve Tasmania better and more cheaply than can the Commonwealth." Whether that was the case or not, he has now given up his first opinion, and joined with the other States Premiers in wishing these two departments to be taken over.

Senator TRENWITH.—However good a man in Tasmania may be, he can do his work very much better in co-operation with other officers in the other States than by himself.

Senator DOBSON.—When honorable senators talk about the practical value of meteorological observations, does it not all

depend on the local men in each State making their observations correctly, and thus enabling the central officer to issue accurate forecasts?

Senator MILLEN.—No, because the data would necessarily be collected by a multiplicity of private observers throughout the country, as it is at present.

Senator DOBSON.—I am inclined to think that the forecasts which we want, and which would be of the greatest value to us, would be those based upon information collected by trained officers in each State, or at such stations as science may determine to be best for the collection of such information. I take it that in all probability the Federal officer will be a man who will have many duties to perform. Perhaps the greater part of his work will be to supervise a red-tape Department, and the skilled forecasts of State officers may really be the information of which the Australian public will get the benefit. I am really in some doubt—and Senator Millen did not make the point clear to me—as to what the Federal meteorological officer is to do. Is he to make separate forecasts for the whole of Australia, and for the coasts of Australia, and for areas hundreds of miles outside the coasts, based upon the observations of a number of observers, stationed at various points? I do not know that that will be the best way to obtain the meteorological information which we would require.

Senator TRENWITH.—What the meteorologists claim is that if a larger amount of data were available, collected from a greater area, they would be able to work out their forecasts with greater accuracy.

Senator DOBSON.—But science has yet to determine upon what spot in Australia it is most advantageous that the Federal Meteorologist should be situated. Is there one State which is better fitted than any other for this purpose? Is there one particular place where a meteorologist could better make up his forecasts, or is it immaterial where he is located, so long as he gets accurate information from his observers? Are some stations more important than others? I dare say that they are. Therefore it seems to me that the Government has done well to make this simply an enabling Bill. Senator Best has said that it is not comprehensive enough. It appears to me to be thoroughly comprehensive. Senator Millen urges that it is not specific enough, but Senator Keating has

pointed out the difficulties in the way of making it more specific, and I can quite understand that those difficulties are real.

Senator MILLEN.—What I say is that whether the Bill fulfils the objects in view or not will greatly depend on the way in which it is administered.

Senator DOBSON.—Quite so. I wish to call attention to clause 5, and to ask a question about it. It says that the Governor-General may enter into an arrangement with the Government of any State. It is purely an enabling Bill, because the usual phrasedology is that the Governor-General may name a day for the transfer of the Department in question. Suppose the Governor-General cannot make arrangements with one or two States, what would be the use of clause 5? Ought there not to be more power taken to enable the Governor-General, by proclamation, to take over State Departments?

Senator BEST.—We cannot compulsorily take them over. The Federal Government can establish a Department of its own, but that would be a most expensive process.

Senator DOBSON.—What would happen suppose the Governments of four States out of the six refused to allow their Departments to be transferred? It appears to me that clause 5 needs strengthening.

Senator PEARCE (Western Australia) [9.6].—The statement just made comes rather as a “staggerer” to me. I am astonished to learn that we have not power to take over the Meteorological Departments compulsorily. I understood that this was one of the subjects handed over to the Commonwealth by the Constitution.

Senator KEATING.—One of the subjects, but not one of the Departments.

Senator PEARCE.—I thought the Departments could be transferred upon proclamation?

Senator KEATING.—The Constitution gives us power to legislate with regard to astronomical and meteorological observations, but there is nothing to prevent the States doing the same work simultaneously.

Senator PEARCE.—My object in rising was to say, after listening to the debate, that I think there is something to be said in support of the suggestion of Senator Best. It seems to me that the two Departments, meteorological and astronomical, ought to be taken over by the Federal Government. I will give my reason. As regards meteorology, we desire to widen the

area from which observations are taken. We desire to do away with the isolation of the States, which has rendered meteorological work of less value to the Commonwealth than it was when Mr. Wragge acted practically as the Commonwealth Meteorologist. At that time, he practically gave Australia forecasts for the whole Continent, and he was only stopped from continuing that work by each State refusing to supply him with the necessary data.

Senator FRASER.—He was always opposed by the States officers.

Senator PEARCE.—This Bill will make it necessary to carry on the work over a wider area. But as regards astronomy, it appears to me that the obverse is desirable. Instead of widening the area for astronomical observations, we need to centralize the work. Astronomy is not in the same category with meteorology. While it may be necessary to have observation stations all over Australia for the purpose of meteorological work, it may not be so necessary for the purposes of astronomy. One central observatory fully equipped, instead of half-a-dozen half equipped, would do for astronomical purposes.

Senator FRASER.—There will be less expense, and the work will be done in a much better manner.

Senator PEARCE.—There will be less expense, more centralization, and better results. That seems to me to be a good argument for the two Departments being taken over by the Federal Government. What is the present position in my own State? The meteorological and astronomical work in Western Australia, is conducted in the same building.

Senator MILLEN.—The same is the case in New South Wales, with unfortunate results.

Senator PEARCE.—I have been over the Observatory in Perth. The astronomical instruments are side by side with the instruments for taking meteorological observations. It appears to me that if we are going to take over the one Department, and not the other, we shall have the singular state of affairs that in the one building there will be one set of officers using instruments under Federal control, and another set of officers using astronomical instruments under State control.

Senator KEATING.—They have separate equipment for the two Departments.

Senator PEARCE.—I am quite aware that there are different sets of instruments,

but the instruments for astronomical purposes are side by side with the instruments for registering the velocity of the wind, rain gauges, thermometers, and other meteorological apparatus. The officers who undertake meteorological work also conduct the astronomical observations. It would be a most higgledy-piggledy arrangement to make a line of demarcation in one building between two sets of officers. Why should we create that confusion when we can save money to the States and promote efficiency in the work by taking over both Departments? By exercising our powers under the Constitution we can obviate the necessity of the States continuing in the haphazard fashion they have followed. I venture to say that if we were to agree to take over both these Departments, the result would be that not only should we have better results from the meteorological point of view, but also better results from the astronomical point of view. We should save money, and we should obtain better scientific results in both Departments. That being the case, why does not the Minister meet the State Premiers in their request? If they are willing to hand over both these Departments, why not accept their offer, not only in the interests of the Departments themselves, but also in the interests of the taxpayers, and for the benefit of Australia?

Senator KEATING (Tasmania—Honorary Minister) [9.12].—I should like to say, in answer to some criticisms that have been levelled at the Bill, that honorable senators will be well-advised in supporting it not only on its second reading, but also in Committee. Senator Millen has invited my attention to the question of administration. He has pointed out that there are two courses open to the Government administering this Bill. One is that it should appoint a Chief Meteorologist, and rest satisfied with that. The Chief Meteorologist would be dependent for his information upon officers still in the employ of the States Meteorological Departments. That system, as Senator Millen has pointed out, would not give to Australia the great benefits and advantages that we hope to derive from the federalization of our meteorological service. The other alternative is to establish a complete, separate, and independent Federal meteorological service which may absorb, and should be intended to absorb, the existing States services. I can assure the Senate that the intention of the

Government is to establish a Meteorological Department of the Commonwealth that shall be effective and efficient, and that the transfer shall be as complete as possible. But, as has been pointed out in the course of the debate, it is not within the competence of the Federal Government to take over the existing States Departments by proclamation. The power given to us under the Constitution is to "make laws for the peace, order and good government of the Commonwealth" with regard to "astronomical and meteorological observations"; but although that power is given to us, the corresponding power that the States have hitherto enjoyed is not taken away from them. They may continue to exercise the power to the fullest degree.

Senator GIVENS.—But if our legislation is inconsistent with theirs, the Federal legislation would prevail.

Senator KEATING.—Our legislation—exactly; but there is nothing to prevent us from having a complete meteorological system, and, at the same time, if a single State thinks fit to incur the luxury and expense of having its own system, there is nothing in the Constitution to prevent that.

Senator GIVENS.—We could legislate the State out of it.

Senator KEATING.—The honorable senator might, by ingenuity, endeavour to do that, but I do not see how we could deprive the States of their existing powers. If they should choose to be extravagant, and to maintain their own Meteorological Departments side by side with the Federal Department, that would be their affair. Having regard to the fact that we cannot take over their establishments by proclamation, we have in this Bill taken power to advantage ourselves of the existing institutions.

Senator FRASER.—Are not the States agreeable to hand over their Departments?

Senator KEATING.—I thought I dealt with that aspect of the matter fully last night. I showed what had been the opinions of the States Premiers at different times. I also quoted the views of the States meteorologists and of the Board of Visitors to the Melbourne Observatory, whose views are entitled to respect and consideration. I do not think it is necessary for me to repeat them.

Senator TRENWITH.—Could the Premiers do that without legislation?

Senator KEATING.—No. I can assure the Senate that the object of this Bill is

to have the Meteorological Departments of the States effectively and completely federalized. It is our object to establish the most efficient service that we can get in Australia directly and immediately under Federal control. The necessities of the case require that we must legislate in the form we propose. We make provision, therefore, for the Governor-General to arrange with the Governor of any State for the transfer to the Commonwealth of any of the equipment of any of the departments in any of the States, for—

the transfer to the Commonwealth, on such terms as are agreed upon, of any observatory and the instruments, books, registers, records, and instruments used or kept in connexion therewith.

Senator Millen has stated that paragraph *b* of clause 4, gives rise to some doubt in his mind as to whether the Government intend to establish a central bureau, to be dependent upon the States institutions. That paragraph sets forth that the Governor-General may enter into an arrangement with the Governor of any State in respect of—

the taking and recording of meteorological observations by State officers.

Let me point out what is the object of this provision. In some of the States there are public servants in other than what may be called the Meteorological Department, who for the purposes of that Department take such observations as are referred to in this paragraph. Many of these officers have been in the past in the Post and Telegraph Departments of the States, and have been transferred to the Commonwealth. Then, again, Customs officials in certain places may have been appointed to collect this information, and to supply it to the central authority.

Senator TRENWITH.—And railway officials.

Senator KEATING.—As my honorable friend points out, we have railway officials in different parts of the Commonwealth, who for the purposes of the Meteorological Department of their State have been appointed to take the necessary records in outlying centres of population, and to transfer them to the central office. We have no power directly to require by our legislation that a State railway officer, say, in the extreme north of South Australia, or somewhere in the back-blocks of Queensland, shall take the necessary records and transmit them to our officers.

Senator DOBSON.—I thought we had.

Senator KEATING.—If we have, we have not exercised it other than in the way now proposed.

Senator MILLEN.—By express enactment.

Senator KEATING.—By making it a matter of arrangement between the Commonwealth and the Government of the States.

Senator TURLEY.—We have postal officials to rely upon, and they are more widely scattered.

Senator KEATING.—Quite so; but in some instances post-offices are under the control of persons who are not in our Public Service, or that of the State. This provision is to enable the Government of the Commonwealth to take advantage of the service of State officers in such centres. I think that Senator Millen will see that the clause should not be an indication to him of an intention on the part of the Government to simply establish a central bureau, which would be absolutely dependent upon the State institutions. I may point out to honorable senators that paragraph *d*, of clause 5, provides that the Governor-General may enter into an arrangement with the Government of any State in respect of—

any matters incidental to any of the matters above specified or desirable or convenient to be arranged or provided for, for the purpose of efficiently and economically carrying out this Act.

That provision has been made as wide as possible, so that in every instance the Government will have power to enter into all arrangements necessary to make its organization as wide, as comprehensive, as complete, and as efficient as the necessities of such a service for such a country as Australia demand.

Senator BEST.—It is all to be done by mutual arrangement.

Senator KEATING.—By mutual arrangement. The Governor-General will have power to establish observatories and to appoint an officer, called the Commonwealth Meteorologist. So far as the different States are concerned, it seems to me that it need not necessarily follow that because we have had six meteorologists in six States—

Senator PEARCE.—They are called astronomers.

Senator KEATING.—Not all of them; Mr. Wragge is not an astronomer. Although we have had six meteorologists, each having his own particular State as the area with which he was more directly and

intimately concerned, and in connexion with which he more closely worked, it does not necessarily follow that that separation or division would be the best division of Australia for Australian purposes. The Chief Meteorologist appointed by the Commonwealth may divide Australia into a larger or smaller number of divisions. These are matters for organization which must remain for the men who are to be put in charge of this work. This is one of the difficulties with which we are confronted in making legislative provision for these matters. Consequently, we make our Bill as wide and as elastic as possible, so that it can be adapted to the exigencies and requirements of the future.

Senator FRASER.—But surely one central bureau would be more effective than six separate ones.

Senator KEATING.—Certainly; that is the whole basis of the Bill. I dealt as fully as I could last night with the severance of the meteorological from the astronomical services. I pointed out that we had some very valuable information before us in the correspondence between the Government of the Commonwealth and the Governments of the States; and that valuable information was supplied by the Board of Visitors to the Melbourne Observatory. It cannot be suggested for one moment that the members of that Board had any axe, personal or political, to grind, or that they were influenced in their report by party or political considerations. But these gentlemen, including, if I remember rightly, Professor Lyle, Professor Kernot, Mr. Ellery, Mr. Theodore Fink, Captain Tickell, and other eminent men, reported most emphatically that the two departments of science were not related, and that the astronomical work at the Melbourne Observatory was suffering by reason of the fact that those who were charged with the carrying out of its work had super-added the duty of meteorology—a science with which astronomy is not necessarily related. I pointed out last night that, although the State Premiers had said that they were prepared to hand over both departments to the Commonwealth, the Premier of Tasmania, only a few weeks before the holding of the Conference at which that decision was arrived at, declared that that State was opposed to the establishment of a Commonwealth Meteorological Department. No dissent from the

resolution of the Premiers is recorded, so that I presume the Premier of Tasmania was then agreeable to a proposal which would involve the Commonwealth taking over both the Meteorological and the Astronomical Departments of the States.

Senator DOBSON.—We have no Astronomical Department in Tasmania.

Senator KEATING.—Senator Dobson has said that probably the opposition of the Premier of Tasmania to the establishment of a Commonwealth Department of Meteorology was based on economic reasons. I think not, for if that were so, how could he justify the attitude he took up in assenting to a proposal which would involve Tasmania in still greater expense if both the Meteorological and Astronomical Departments were taken over?

Senator BEST.—That is very small.

Senator KEATING.—It was Senator Dobson who suggested that reasons of economy were responsible for the attitude of the Premier of Tasmania.

Senator BEST.—But we have to be guided by the latest utterance on the subject.

Senator KEATING. — The position amounts to this: There is no Astronomical Department in Tasmania, and in Queensland the Astronomical Department is in no way connected with the State Department of Meteorology. It is a branch of the Survey Department of that State. It is a very small Department, and the Surveyor-General of Queensland is at the head of it. I think it is agreed on all sides that it is essential that we should have, as early as possible, an efficient meteorological service. There is considerable doubt as to whether any advantage to the people of the Commonwealth or to those engaged in scientific investigation in Australia would flow from the immediate federalization of the astronomical work. Whether or not those doubts will soon be resolved I am not in a position to say. But, to my mind, there is this difference between meteorological and astronomical work in Australia: a Meteorological Department has a practical value to every citizen—a practical value which astronomical work has not. To the great bulk of the community astronomical work—the research which is involved, and the results of that research—has nothing but a theoretical value. On the other hand, meteorological work has in it for us all something of practical urgency and necessity. That being so, why should we—in the face of

the fact that there is a considerable difference of opinion among people in Australia who are competent to judge as to the value of federalizing our astronomical work—imperil or delay the assumption of the Federal control of the more important and practical Department of Meteorology? I ask honorable senators to consider the question from the points of view given, and to assist us in passing the Bill through its remaining stages as early as possible, so that it may be sent without delay to another branch of the Legislature. I have only to add that if arrangements cannot be made with any State to carry out the matters referred to in paragraphs *a*, *b*, *c* of clause 5, it may be possible under the general powers given to the Governor-General by paragraph *d* to surmount the difficulty that might otherwise arise in relation to our system.

Question resolved in the affirmative.

Bill read a second time.

In Committee:

Clauses 1 and 2 agreed to.

Clause 3—

The Governor-General may—

(*a*) establish observatories; and

(*b*) appoint an officer called the Commonwealth Meteorologist.

Senator MILLEN (New South Wales) [9.31].—Is the power sought by this clause quite wide enough? It seems to me that by sub-clause *b* we are limiting the appointment to one officer, while providing for the establishment of more than one observatory. I move—

That the following words be added—"and such other officers as may be necessary for the purposes of this Act."

Senator FRASER (Victoria [9.32].—Surely it is not contemplated that there shall be one officer in each State? If we appoint one officer for the Commonwealth, he will, I take it, have power to appoint his own officials.

Senator MILLEN.—I am in doubt as to whether the Bill gives that power.

Senator FRASER.—I should not dream of putting those other appointments on a par with that of the Commonwealth Meteorologist.

Senator KEATING.—There will be only one Government Meteorologist.

Amendment agreed to

Senator GIVENS (Queensland) [9.34].—I should like to ask the Minister whom it is contemplated to appoint as Government Meteorologist.

Senator KEATING.—I do not know; I have no information on the subject.

Senator GIVENS.—It is freely stated outside that it is intended to import some gentleman for this particular position.

Senator FRASER.—We want the best man science can produce.

Senator KEATING.—I have seen some astonishing statements in the press of Western Australia that are absolutely foundationless.

Senator GIVENS.—I do not know what foundation there may or may not be, but the statement I have indicated is continually appearing. So far as I can see, Mr. Wragge, whose name has been currently mentioned here, is the very best man.

Senator MILLEN.—Just now Mr. Wragge would have to be imported.

Senator GIVENS.—I think Mr. Wragge has been long enough in Australia to rank as an Australian.

Senator MILLEN. — But Mr. Wragge is not in Australia now.

Senator GIVENS.—If Senator Millen were on a steamer at one of the islands off Australia, he would not regard himself as an importation if he were brought back again. Although there is at present a protectionist Government in power, the members of that Government seem to be suffering from the importing disease just as badly as anybody else. They think that nothing produced in Australia is good, and they would go outside for all they require. Australians have proved themselves good men in many of the scientific walks of life, but they are denied the opportunity to prove their ability and capacity in this country, and have to go elsewhere to win their name. These men, when the opportunity presents itself, are given the go-bye, while the Government look abroad, as if there was some special qualification in an official who was imported. I move—

That the following words be added:—
“Provided that the Government Meteorologist so appointed shall have been a resident in Australia for a period of at least five years.”

Last year, when the Papua Bill was before us, we were frequently assured by the Government that an Australian would be appointed to administer the Territory in accordance with Australian sentiment and ideas. It is an open secret now that the Government have no such intention, but propose to go abroad for an Administrator.

Senator KEATING.—It may be an open secret to the honorable senator.

Senator PLAYFORD.—The Government do not know anything about the matter.

Senator GIVENS.—The Government probably do not know their own minds yet—they may not have come to a final decision.

Senator KEATING.—The honorable senator seems to know the mind of the Government.

Senator GIVENS.—I know what is current knowledge amongst those who are more in the way of ascertaining Government secrets than I am. I know nothing of my own knowledge. I do know, however, that in the case of Papua the Government, in response to a generally expressed desire from all sides of the Chamber, assured us that an Australian, who possessed the necessary qualifications, should be given the position of Administrator. So far, we have seen no disposition to redeem that promise, and, if rumour be correct, there is no intention to redeem it. A promise implied is just as binding as an explicit promise. I want the positions at our disposal to be given to Australians, and the only way I can see to successfully accomplish that end is to so provide in the Bill. If we trust this or any Government we shall have a very poor chance of attaining our desire.

Senator MILLEN.—But suppose that no one in Australia, who was suitable, would take the position?

Senator GIVENS.—I am not in the habit of supposing impossibilities, or of trying to legislate for impossible conditions.

Senator GUTHRIE (South Australia) [9.40].—I think that, in order to make the clause complete, there should be a slight alteration in Senator Givens' amendment. I suggest that in the place of the words, “the Government Meteorologist,” the words “all such other officers,” be inserted.

Senator GIVENS.—I have no objection to adopt the suggestion.

Senator KEATING (Tasmania—Honorary Minister) [9.41]. — I do not know whether Senator Givens is serious in making this proposal; but if he bases his justification of the amendment on the argument he has put forward, it rests absolutely on a shadow. So far as the consideration of the person to be appointed Government Meteorologist is concerned, I can assure Senator Givens that he, or anybody whom he could meet within the next twenty-four hours, knows as much about the matter as I or any member of the

Cabinet. If we are to legislate on rumor and gossip, we have come to a very pretty pass. Meteorology, as a science, has made considerable advance of late years in different parts of the world. Perhaps it has not advanced at the same rate in Australia as elsewhere, and if we deprive ourselves of the possibility of obtaining the services of some person in another part of the Empire or elsewhere, who is much more advanced than any one in Australia is, or possibly could become by the mere study of Australian conditions, even over an extended period, we at once sap the foundations of the system we intend to establish. I ask honorable senators to reject the amendment.

Senator STANIFORTH SMITH (Western Australia) [9.44].—For the position of Commonwealth Meteorologist we require a man who has a thorough knowledge of the latest scientific systems adopted in other countries. I think the trouble now before us may be got over. I do not suppose it is the intention of the Government in the next few weeks to take over the States Departments, or to appoint a Commonwealth Meteorologist. In the various countries that I have visited, if it is intended to appoint a skilled official to a position, he is given three months or six months to travel to other places where the best systems are in vogue, and the best information can be obtained. In the Malay Possessions, in Java, and the German Possessions, the authorities never think of going outside for officials of the kind. There are excellent Meteorological Departments in the places I have mentioned; I do not suppose there is any place where meteorological information is better tabulated than in Java. If there was an Australian official who had some knowledge—perhaps the best man we could take—and if, before the Department was established, he was allowed six months in which to visit India or Java or whatever places have the most up-to-date and scientific methods, I should think that that would get over the difficulty, and a competent Australian could be appointed.

Senator FRASER.—The honorable senator suggests that we could make the official competent by allowing him to go round and see a few places.

Senator STANIFORTH SMITH.—I do not think that the question of meteorology is on anything like the same basis as the question of astronomy. From the little knowledge I have gained it appears to me

a machine-like system. The information is telegraphed to the meteorologists from various parts.

Senator FRASER.—And they must understand the subject.

Senator STANIFORTH SMITH.—Yes, but I assume that in the various meteorological departments there is a man who does understand something about the subject.

The CHAIRMAN.—As there may be some confusion if I put the amendment, as at first suggested, I propose, unless there is an objection raised, to put the question to the Committee in this form—

Provided that such meteorologist and officers shall have been resident in Australia for a period of at least five years.

Question—That the words proposed to be added be so added—put. The Committee divided.

Aves	...	...	...	7
Noes	...	...	...	11
Majority				
	...	...	...	4

AVES.

de Largie, H.	O'Keefe, D. J.
Guthrie, R. S.	Turley, H.
Henderson, G.	Teller:
Higgs, W. G.	Givens, T.

NOES.

Baker, Sir R. C.	Neild, J. C.
Dobson, H.	Pearce, G. F.
Fraser, S.	Playford, T.
Gray, J. P.	Walker, J. T.
Keating, J. H.	Teller:
Millen, E. D.	Smith, M. S. C.

Question so resolved in the negative.

Amendment negatived.

Clause, as amended, agreed to.

Clauses 4 to 6 agreed to.

Title agreed to.

Bill reported with an amendment.

INTRODUCTION OF MICROBES:
RABBIT PEST.

The PRESIDENT.—I wish to point out to the Senate that the debate on a notice of motion standing in the name of Senator O'Keefe was interrupted by the suspension of the sitting for dinner, and that no order was made as to when it should be resumed. It is, perhaps, irregular to do it now, but I think that, under the circumstances, the honorable senator may ask leave to move that it be made an order of the day for some future day.

Senator O'KEEFE (Tasmania) [9.50].—I would prefer that the debate should be resumed to-night, and I understand that the Government have no objection.

Senator FRASER.—No. Resume the debate on another occasion.

Senator PLAYFORD.—I have no objection to the debate being resumed to-night. If that is not done, it may not be reached for some considerable time.

The PRESIDENT.—Under the Standing Orders I do not know that anything can be done except by leave of the Senate.

Senator O'KEEFE.—I did not think that there was any objection from the other side.

Senator FRASER.—There is no objection, except that the hour is too late.

Senator PLAYFORD.—If the honorable senator will place his notice of motion upon the paper for to-morrow, I shall help him if I can.

Senator O'KEEFE.—I am satisfied with the promise of the Minister, but I thought it was the wish of honorable senators on the other side to resume the debate to-night. By leave, I move—

That the debate on notice of motion No. 8 be resumed to-morrow.

Question resolved in the affirmative.

Senate adjourned at 9.56 p.m.

House of Representatives.

Thursday, 21 June, 1906.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

REPORT ON PAPUA: CASE OF J. R. CRAIG.

Mr. BAMFORD asked the Prime Minister, *upon notice*—

1. Whether any report has been prepared by the Secretary of the Department of External Affairs, in connexion with his recent visit to Papua?

2. If so, has such report been laid upon the table of the House?

3. Does the report, if any, make special reference to the matter of John Renfrew Craig, upon which matter, it was understood, the Secretary of the Department of External Affairs was directed to make inquiries and report?

Mr. DEAKIN.—The answers to the honorable member's questions are as follow:—

1. Yes.

2. Yes.

3. No. A separate report was prepared on that subject, a summary of which will be laid upon the table.

POSTMASTERS' CASH ACCOUNTS.

Mr. BROWN asked the Acting Postmaster-General, *upon notice*—

1. Is it a fact that a circular has been issued instructing postal assistants to check the postmasters' cash once a week, and to certify as to its correctness?

2. Does this checking apply to the whole of the cash passing through the hands of the postmasters, including State banking funds?

3. What is the purpose of this checking of postmasters' cash accounts by their subordinates?

4. Is it proposed to make any increased allowance to assistants for the increased work entailed in this cash checking?

Mr. EWING.—The answers to the honorable member's questions are as follow:—

1. Yes.

2. Yes.

3. More effective check upon postmasters' accounts, as suggested by the Auditor-General.

4. No. The circumstances would not justify such a course.

VACANT POST-OFFICES.

Mr. BROWN asked the Acting Postmaster-General, *upon notice*—

1. Is it a fact that a number of post-offices in the State of New South Wales have become vacant, and continued vacant for considerable periods?

2. How many offices are vacant at the present time?

3. What is the cause of delay in filling vacancies?

4. When is it expected existing vacancies will be filled?

Mr. EWING.—The answers to the honorable member's questions are as follow:—

1. Yes; but they are recent vacancies, with the exception of two, namely, Tamworth and Coraki, which became vacant on the 19th and 21st February last respectively.

2. Seven, namely, Newcastle, Picton, Tamworth, Deniliquin, Lambton, Coraki, and Goulburn.

3. Recommendations were not submitted by Deputy Postmaster-General, Sydney, in the cases of Tamworth, Deniliquin, and Lambton, pending the adoption of the Public Service Commissioner's scheme for the general transfer of postmasters to meet the requirements of classification. Any recommendations made would probably have conflicted with changes proposed by the Commissioner.

4. Executive authority for filling the vacancies has now been obtained.

GENERAL ELECTIONS.

Mr. MAHON asked the Minister of Home Affairs, *upon notice*—

1. Does not section 89 of the Electoral Act 1902 provide that writs for a general election are returnable within sixty days after the date of the issue of such writs?

2. Does not section 5 of the Constitution provide that after any general election Parliament shall be summoned to meet within thirty days from the date of return of the writs.

3. If so, would not the holding of a general election on any day in October next involve a meeting of the new Parliament before the end of the present year?

4. Should a new Parliament meet before the end of 1906, will not the persons returned for the first time to the Senate at the ensuing election be precluded from sitting therein, seeing that section 13 of the Constitution provides that "the service of a senator shall be taken to begin on the 1st day of January following his election"?

5. On the other hand, would it not be unconstitutional for senators whose terms expire on 31st December next, and who are not re-elected, to sit in a new Parliament to which they were not returned?

Mr. GROOM.—The answers to the honorable member's questions are as follow:—

1. Yes, but see section 168 of the Commonwealth Electoral Acts 1902-1905, under which the person causing the writ to be issued may provide for extending the time for its return.

2. Under section 5 of the Constitution it is provided that after any general election the Parliament shall be summoned to meet not later than thirty days after the day appointed for the return of the writ.

3. Not necessarily.

4. Senators elected this year for a term of office, commencing on the 1st January next, cannot take their seats till their term of office begins.

5. The election of a new House of Representatives and of senators elect for a new term does not affect the right of senators whose term has not yet expired, to sit for the remainder of their term.

COLONIAL MARRIAGES BILL.

Mr. CROUCH asked the Prime Minister, *upon notice*—

1. If before the Colonial Marriages Bill was introduced by the Secretary of State for the Colonies into the House of Lords, its scope and contents were notified to the Australian authorities?

2. Whether he has noticed that one of its clauses applies the benefit of British validation of the Australian marriages referred to in the Bill only to cases where both of the parties were domiciled in the State in which the marriage took place?

3. What effect this will have upon persons who marry persons domiciled in other States?

4. If he will cause the terms of the Bill to be carefully considered and the Australian views presented to the Colonial Secretary at once?

Mr. DEAKIN.—The answers to the honorable and learned member's questions are as follow:—

1. No.

2 and 3. No. The Bill makes no reference to States. It provides for the validation of marriages between certain persons in cases where,

at the date of the marriage, each of the parties was domiciled in a part of the British Possessions in which, at that date, such marriage was legal.

4. As at present advised, the Government see no objection to the measure, but further consideration will be given, and if thought necessary representations will be made to the Secretary of State.

PAPER.

Mr. GROOM laid upon the table the following paper:—

Provisional regulations under the Electoral Acts, Statutory Rules 1906, No. 42.

ELECTORAL BILL.

Motion (by Mr. CHANTER) agreed to—

That leave be given to bring in a Bill for an Act to amend the Commonwealth Electoral Acts of 1902 and 1905 as regards the Court of Disputed Returns.

Bill presented, and read a first time.

GENERAL ELECTION.

Mr. McCOLL (Echuca) [2.38].—I do not think that I need make any apology for the motion which I am about to move, because it affects matters of extreme importance. I wish, however, to depart to a slight extent from the terms of the notice appearing on the business paper. That notice reads as follows:—

That this House instruct the Ministry to so arrange the business for this session that the general elections can be held on a date not later than the 15th day of November next.

As exception may be taken to the terms of a motion so worded, and I have no desire to be considered peremptory and offensive, I wish to move in substitution—

That, in the opinion of this House, the Ministry should so arrange the business for this session that the general elections can be held on a date not later than the 15th day of November next.

Mr. SPEAKER.—Is it the pleasure of the House that the honorable member have leave to amend his motion?

Leave granted.

Mr. McCOLL.—The matter with which I now propose to deal was referred to at the close of last session; but the scope then proposed to be given was too long. No doubt the position of the honorable member for Coolgardie, that under the law the general elections cannot take place in October next, is the correct one; but, if the date which I have set down is fixed upon, a fortnight more than is actually required will be given. No action was taken in this matter last session, because no motion

dealing with it was pressed : but the Minister of Home Affairs expressed sympathy with the object of those who supported the views which I am about to repeat. I am afraid that his sympathy has now dwindled away, because he seems not to be at all anxious to hold the elections earlier in the year than they were held in 1903. The statement that the rolls cannot be got ready in time for an earlier election is puerile. Four or five months must elapse between the present date and that which I propose, and if the staff of the Department is not large enough to get the rolls ready in that time, it can be increased to the number necessary to do the work. We have been given to understand that preparations for the holding of the elections have been going on for some time past in anticipation of the approval of Parliament to the Commissioners' redistributions of divisions; and, as those redistributions have been approved of without alteration, there can be no excuse for delay on their account. I intend to take the sense of the House on this question, because it is too serious to be trifled with. As honorable members know, a farmer might, by a day or two's neglect in the month of December, lose the results of his year's labour, because a dry wind might come, and if his wheat was not garnered, half of it might fall to the ground. For this reason the farmers cannot be expected to attend at the polling-booths as they should if the day for the holding of the general elections is chosen in so unseasonable a month of the year as December. It must be remembered that the next elections will be of immense importance. For several years past the political position, so far as Commonwealth affairs are concerned, has been very unsatisfactory. Old parties have been broken up, and new parties have been formed; but there has been no proper following of party leaders, and no cohesion, and honorable members have not known where they were. I do not propose to say who, in my opinion, is responsible for this state of affairs; but I regard it as having retarded Federal development, while it has bitterly disappointed the public of Australia, and has caused embarrassment, and, in some cases, perhaps, humiliation, to honorable members. Business has been conducted here almost on go-as-you-please principles, but, throughout, one party has been pushing steadily, ruthlessly, and persistently ahead, and has lost no chance of improving its position. In saying that, I cast no

Mr. McColl.

reflection upon the party to which I refer, because, if I were a member of it, I should be glad to see it working on those lines. Its object hitherto has been, by holding the balance of power, to control the conduct of government, and in that it has largely succeeded, although its members have had to cast their fiscal opinions aside to achieve that end.

Mr. WATSON.—These remarks are very gratifying to the Labour Party, but what have they to do with the question before the Chair?

Mr. McCOLL.—They have a great deal to do with it, as the honorable member will presently discover. Having hitherto controlled to a great extent the administration of affairs, the Labour Party will make at the next elections a determined attempt to capture the reins of government. For that I shall not blame them; but it will make the next elections of the utmost importance, and will require an expression of opinion from the whole of the people of Australia. If they had a majority of the electors behind them, they should take charge of the affairs of the country. I do not know that in such a case the conditions would be much worse than they are now. I am quite willing that the Labour Party shall control the administration if they have the support of the majority of the electors, but I am not content that they shall exercise such a large influence as they do over the affairs of State whilst they represent a minority of the electors. The object of the party has been fairly and clearly set out by their leader as being the nationalization of all the means of production, distribution, and exchange.

Mr. WATSON.—I did not say that. Do not misrepresent me.

Mr. McCOLL.—Of course, the honorable member for Bland stated that the present intention was merely to nationalize monopolies, but the honorable and learned member for Corinella demonstrated that the objective of the Socialist Party was Collectivism.

Mr. MAUGER.—I should like your ruling, Mr. Speaker, as to whether the honorable member is in order in discussing Socialism upon a motion of this kind.

Mr. SPEAKER.—In his last remarks, the honorable member has certainly travelled beyond the scope of the motion. The question of Socialism cannot be discussed at the present stage.

Mr. McCOLL.—I thought that in discussing the question as to the date upon which the next elections should be held, I was in order in referring to the policies of the various parties that will be appealing to the country at that time. However, I shall not transgress any further, except to say that the Labour Party, although it has not a majority in this House, plays its cards remarkably well. No one takes exception to the leader, to whose tact and general characteristics the success of the party has been mainly due. That honorable member, however, is merely a chip on the stream, and when the tide begins to run a little more strongly, he may be swept aside, and landed on the bank. We know very well that his views do not coincide with those held by certain extreme members of his party, and the date is not far distant when he will have to part company either with his position or his conscience. The Labour Party propose to run candidates in all the divisions of the Commonwealth, and they are even setting up opposition to the candidature of Mr. Speaker. In my view, that is a most unworthy thing to do. It is never done in Great Britain. Last year a friend of mine entered upon a contest for the Carlisle seat against Mr. Lowther. He had been working for many months, and had spent considerable sums of money, when the retirement of Mr. Gully from the Speakership of the House of Commons led to the appointment of Mr. Lowther. My friend immediately abandoned his campaign, because it is always recognised in Great Britain that the Speaker is above party, and ought not to meet with party opposition. Therefore, he is always returned unopposed.

Mr. MALONEY.—Would it not be a good thing if we could all be temporarily appointed to the position of Speaker, and be returned unopposed?

Mr. McCOLL.—I was in error when I stated the Labour Party were putting forward candidates in all the divisions. It appears that there is a movement on foot with a view to rendering certain honorable members immune. Whether or not, that matter is finally settled, I do not know.

Mr. WATSON.—I should like to know how far the honorable member is in order in following his present line of discussion. It will not make much difference, if other honorable members will be at liberty to

adopt the same course, but it will be useful to ascertain how far remarks of the kind apply to the proposal that the elections should be held upon a certain date.

Mr. SPEAKER.—I must say that I think the remarks of the honorable member are extending over a very wide range. There appears to be ample room for the discussion of the question whether the elections shall be held upon a certain date without introducing issues such as the honorable member is raising. I hope, therefore, that he will confine his remarks to the subject of the motion.

Mr. McCOLL.—I am sorry that the members of the Labour Party do not like to hear the truth. It seems that I am touching them on the raw. I do not think that it is creditable for politicians of high standing to enter into an arrangement that will render them immune from the opposition of any party. At present we will call them immunists, who are on the road to becoming communists. If the next elections are held at the same period of the year as that at which the last elections took place, the primary producers of the Commonwealth—and more especially of Victoria, New South Wales, and South Australia—will be placed at a great disadvantage. No other section of the population is situated in quite the same way. Every other class will have an opportunity of voting, because, if men happen to be away from home, they can arrange to record their votes by post. The farmer, however, cannot afford, during the harvest, to lose the time that would be occupied in going to the poll. This matter rests entirely with the Government, and I do not think that any exception can be taken to an expression of opinion on the part of the House.

Sir WILLIAM LYNE.—I take exception to the proposal of the honorable member. It is equivalent to a vote of censure.

Mr. McCOLL.—The Minister must not drag that red herring across the track. The language of the motion is respectful and courteous, and no censure is implied. The Government, as I have said, has this matter in their full control, and there is no valid reason—departmental or otherwise—why the elections should not be held before the date I have named. No plea of want of time will be of any avail. Of course, I am quite aware that some Ministers are in a very peculiar position. Their seats depend upon the action of the party to whom the criticisms of some of their number have

been directed. It is possible, therefore, that there will be a division in the Cabinet with regard to this matter. If there is, I hope that the Prime Minister will put his foot down and do justice. If he does, he will merit the thanks of the farming community.

Mr. WATSON (Bland) [2.53].—I do not propose to follow the example of the honorable member for Echuca in discussing this very important question, by entering upon a general disquisition upon the atrocious policy, or want of policy, that characterizes honorable members on the Opposition benches. I think that that may be very well left out of the discussion of a matter of this kind. I share the anxiety exhibited by the honorable member to have the election held at a time that will suit every one in the community. I think that all parties should join in an endeavour to so arrange the election that the least possible number of persons will be inconvenienced. I should like to point out that there is no grave reason why this anxiety for an early election should be confined to the members of the party with which the honorable member for Echuca happens to be associated, because for every farmer who is disfranchised owing to the election taking place at harvest time, a much greater number of farm labourers are prevented from voting. Labour candidates desire that the election shall be held at an early date quite as strongly as does the honorable member.

Mr. JOSEPH COOK.—Of course, the honorable member and his party have a monopoly of the votes of the farm labourers.

Mr. WATSON.—No; but in New South Wales the Labour candidates poll more heavily in the agricultural districts than in the metropolitan areas.

Mr. WILKS.—The honorable member is insinuating that Labour candidates are returned by a class vote.

Mr. WATSON. — No, I am not. The honorable member for Echuca has spoken especially on behalf of the farmers as the class who are likely to support him, and I am pointing out that as large a proportion of farmers support Labour candidates as vote against them.

Mr. HENRY WILLIS.—The honorable member is a marked exception.

Mr. WATSON. — Not at all. In my district last year a considerable number of persons refrained from going to the

poll because of the inconvenience and possible loss that would have been involved if they had left their homesteads at that time. A few months later, when the harvest was over, and a general election was held in New South Wales, the Labour candidates in my constituency polled 5,000 more votes than were recorded in my favour in the previous December. It seems to me that there is not much comfort for the honorable member for Echuca in these facts. For a considerable time past, it has seemed to me that it is altogether undesirable to hold the elections at any time during the latter half of the year. No matter what period you fix between June and December, you will disfranchise some large section of the community. At any rate, if you do not disfranchise them, you will cause them serious inconvenience. In Queensland, the sugar harvest has commenced, and men are engaged in cutting cane, or are otherwise busily occupied in work just as urgent as that which has to be done when the wheat crops are ripe. From what I can understand, sugar cane cannot be allowed to stand for any considerable time after it is ripe, and, therefore, the work of cutting it is a matter of urgency. In the pastoral districts of Queensland, shearing is now proceeding, and a little later, the shearers will be moving down to New South Wales, and still later to Victoria. So that during the latter half of the year, the harvest is being gathered in some part of Australia, and a large section of the electors would be seriously inconvenienced if they had to attend the poll. I trust that the honorable member who tabled the motion will be disposed to give some consideration to classes other than those who are most numerously represented in his own constituency.

Mr. McWILLIAMS. — How would the postal vote suit the shearers?

Mr. WATSON. — In some cases they cannot use the postal vote, and in other cases the postal service is so infrequent that it is a matter of extreme difficulty to adopt the method provided for in the Act. In many cases, witnesses cannot be obtained near the shearing sheds to enable the essential preliminaries to be gone through to safeguard the secrecy of the ballot, and to prevent impersonation. Therefore, there are difficulties in the way of the shearers as well as in the way of the farmers.

Mr. HENRY WILLIS. — Are not many of the shearers also settlers?

Mr. WATSON. — Undoubtedly, a very large proportion of the shearers in New South Wales are also small farmers, and they would, of course, be inconvenienced as shearers just as the farmers here would be.

Mr. DUGALD THOMSON. — There are the Q forms and regulation forms.

Mr. WATSON. — If the men can attend a polling place, the Q form does away with the necessity for a postal vote; but in some cases the polling places are so far removed from the shearing sheds that the shearers cannot take advantage of any of the methods prescribed under the Act. Long before the honorable member began to agitate upon this question, long before the *Argus* commenced to publish its diatribes about the attitude of the Labour Party in this connexion, I suggested in the House that there was one way in which the inconvenience at present experienced could be prevented so far as the election ensuing after the next is concerned.

Mr. JOSEPH COOK.—The honorable member merely spoke upon the motion submitted by the honorable member for Echuca.

Mr. WATSON.—I was not aware of that. I was under the impression that I spoke earlier. I have no desire to detract from any credit which is due to the honorable member. Before the newspapers had attributed to the Labour Party a wish to delay the forthcoming elections until December, I advocated that an effort should be made to amend the Constitution so as to give to honorable members of both Houses of the next Parliament an additional tenure of three months, thus allowing the general election to be projected into March, when practically everybody would be able to exercise the franchise.

Mr. McDONALD.—That would be right in the middle of our wet season in Queensland.

Mr. WATSON.—At any rate, the half-year between January and June is, to my mind, the least inconvenient period at which to hold the general elections, having regard to the Commonwealth as a whole. I am sure that practically none of the electors would object to a short extension of office being granted to members of the two Houses for a purpose of that sort.

Mr. WILSON.—None of the members would object.

Mr. WATSON.—An extension of the term of office of honorable members for

three or four months upon one occasion only would not be of very great importance in the eyes of the electors.

Mr. THOMAS.—Why not extend the term of office of members of this Parliament?

Mr. WATSON.—We have not the power to do that, however desirable it might be. It has been urged that the adoption of the plan suggested would not insure the holding of all subsequent elections at the same period of the year. But we could at least insure that, unless there were a penal dissolution of both Houses, under the deadlock provisions of the Constitution, the elections for the Senate would be held at a much more convenient time than they are at present. So far as this House is concerned, penal dissolutions are always possible, but we are at present under just as great a liability to have the elections of the two Houses separated as we would be then. To insure that in future the inconvenience to which allusion has been made shall be minimized as much as possible, the effort, I think, is worth making. So far as the present position is concerned, I quite agree with the honorable member for Echuca, that the Ministry and the Department of Home Affairs should be expected to use every means in their power to put the electoral machinery in order at the earliest possible moment. At the same time, I am inclined to think that the honorable member has overlooked the immense distances which exist in Australia. The Department has to deal, not merely with the electors of New South Wales or Victoria, but with those of the Northern Territory, the north-west corner of Western Australia, and the far north of Queensland, with which places communication is not frequent. Though an early election might not inconvenience the voters resident in these remote portions of the Continent, their distance from the centres of population increases the difficulties of the Department in getting the electoral machinery to work. That machinery is more difficult to work in respect of the places I have mentioned than it is in respect of places like Echuca or Wagga. I think that the Government should strain every nerve to enable the forthcoming elections to be held at the earliest possible moment. I quite agree with the honorable member for Echuca that if it can be done it is desirable that the next general election should take place earlier than did the election of three years

ago. I believe that a few weeks can be saved in that way, and I hope that the Government—without any instructions from the House—will use every possible effort to permit of the elections being held at such a time as will minimize the inconvenience that must inevitably attach to their conduct, no matter at what period of the year they may be held.

Mr. JOSEPH COOK (Parramatta) [3.5].—I do not know that I can subscribe to the eulogiums which have been passed upon the leader of the Labour Party by the honorable member for Echuca.

Mr. WATSON.—That does not concern the question under consideration.

Mr. JOSEPH COOK.—I am aware that it does not. At the same time it concerns certain statements that have been made by the honorable member for Echuca, who, I fear, has not enjoyed an intimate acquaintance with the leader of the Labour Party so long as I have. My experience of the honorable member for Bland is that he is indeed a most useful man to his party, because, while believing in as extreme and ultimate a form of Socialism as any member of that party—as his own statements clearly show—he yet has such a smooth and amiable way of putting his doctrines before the country as to produce in the minds of the people an impression similar to that which is entertained by the honorable member for Echuca. For instance, only yesterday I was quoting a statement which the leader of the Labour Party made—

Mr. BAMFORD.—I rise to a point of order. Is the honorable member in order in buttering up the leader of the Labour Party in this way, just prior to a general election? I do not think that his utterances are at all relevant to the motion that is before the House.

Mr. SPEAKER.—I regret to say that I did not hear the last few remarks of the honorable member for Parramatta. There are such constant conversations proceeding in all parts of the Chamber that I frequently experience difficulty in following the utterances of honorable members. I must, therefore, ask them to cease their conversations, or else to conduct them in a much lower tone of voice.

Mr. JOSEPH COOK.—I suppose that I shall be in order in replying to certain statements which have been made, and which were not ruled out of order. If

honorable members desire a specimen of the very 'cute and clever attitude which is adopted by my honorable friend, the leader of the Labour Party, they have merely to recollect his statements of a few moments ago. With that suave exterior of his, he laid a quiet claim to a purely class vote, and accused the honorable member for Echuca of seeking merely to study the interests of that section of the laboring class known as the farmers. He declared that the honorable member spoke in the interests of the farmers, and he added that the Labour Party would secure the farm labourers' vote. He quoted figures to show that this was so. For instance, he said that 5,000 more votes were cast in the agricultural constituency which he represents at the last State elections than were recorded in his own favour at the general elections for this Parliament. It may be that that is the reason why he is leaving that district for a city constituency. If he feels so sure that all the farm labourers' votes will be cast in favour of his party, why is he leaving them and seeking a purely city constituency?

Mr. WATSON.—The Commissioner has cut my electorate to pieces.

Mr. JOSEPH COOK.—The people are still there.

Mr. FRAZER.—As soon as he noted that the honorable member for Bland intended to contest a certain metropolitan constituency, the honorable member for South Sydney bolted from it.

Mr. SPEAKER.—If there is one thing which is more disconcerting to a speaker than another it is constant interjections and cross-firing between honorable members who are not addressing the Chair. I ask honorable members to desist from that practice.

Mr. JOSEPH COOK.—Another quiet bit of unction which the honorable member for Bland laid to his soul was that he had preceded the honorable member for Echuca in his agitation for an alteration in the date of holding the general elections. As a matter of fact, when the leader of the Labour Party spoke last year upon this question, it was upon the motion of the honorable member for Echuca. He was not ahead of the honorable member for Echuca in any way. The leader of the Labour Party, under that mild and pleasant exterior which he successfully presents to most members of the Chamber, made this quiet claim for labour, which the more out

spoken members of his party would never have dreamed of doing. I know quite too much of the method of propagandism adopted by him to subscribe to the great eulogies that have been heaped upon him from time to time by members of my own party. However, that may pass.

Mr. WATSON. — It is altogether outside the scope of the motion, but it is as near to it as the honorable member usually gets.

Mr. JOSEPH COOK. — I do not forget the honorable member's attitude the other night when he gave me the lie direct whilst I was making a quotation from his speeches.

Mr. WATSON. — I did not do that.

Mr. JOSEPH COOK. — I believe that the Government ought to facilitate the holding of the elections at the earliest possible moment, and so permit those who ordinarily vote with great inconvenience to vote as little under those natural disadvantages, which are inseparable from distance and other considerations as is possible. I am not quite clear in my own mind that the Government are treating this matter as they ought to do. The other day, in response to a request by a member of the Labour Party, the Minister of Home Affairs quoted a certificate which had been issued to him by the Electoral Office, and in which it was pointed out that the elections could not be held in October.

Mr. GROOM. — The statement was made in reply to a question by the honorable member for Wimmera.

Mr. JOSEPH COOK. — All that was contained in the circular in question was of a negative character. An estimate of the difficulties which had to be faced in the Electoral Office had evidently been made to allow even of a negative certificate being furnished as to the earliest period at which the elections could be held. Yet, when I asked the Minister whether his officers had made an estimate as to the probable earliest date at which they could take place, he declined to say anything except that he would institute inquiries into the matter. I submit that by this time the Minister ought to have a reliable estimate in his Department of the earliest date at which the elections can be held. If what the honorable gentleman has told us represents the whole of the facts of the case, it does not redound to the credit of the Department that, within a few months of the time when this Parliament must expire, it has no idea of what its electoral arrangements are.

Mr. WILKS. — The Department made a bungle of the elections upon the last occasion.

Mr. McWILLIAMS. — There is a good man at the head of the Department now.

Mr. JOSEPH COOK. — That is all the more reason why it should be able to forecast the earliest date at which the elections can be held. The same muddle occurred at the last elections. Everything was in confusion, and thousands of electors were disfranchised. Certainly that was so in my own constituency, and I venture to say it was the common experience of honorable members. Since then three years have elapsed, but though we are within a few months of a general appeal to the people, we are told by the Minister that he cannot say when the necessary machinery for the conduct of the elections will be in readiness. That is a condition of things that ought not to exist, and the sooner it is remedied the better it will be for all concerned. Let us suppose that something occurred which necessitated an immediate appeal to the country. What would be the position? Would the Government say, "We cannot settle these issues"? Let us suppose that upon some vital question—going, it may be, to the very existence of our national life—a dissolution took place, would the Government come to the House, and exclaim, "I do not know when we shall be ready to make this appeal to the country"? All this is a confession of Ministerial weakness, and of departmental inefficiency. Certainly it is a confession of departmental unpreparedness. After five or six years of our Commonwealth life our electoral machinery ought to be in such a state of efficiency as to be ready for use almost at a month's notice. Instead of that, the Minister told us that the Department will not be ready in October, the month spoken of as the one in which the elections should take place. We know, also, that there has been a protest against the holding of the elections in October on the part of the honorable member for Darling. I presume that that hastened the supply of the circular. It was a notification to the Government that they had better look out for October.

Mr. GROOM. — That is incorrect.

Mr. JOSEPH COOK. — So we got a circular from the Minister that the elections could not be carried out in October. Presumably the honorable member for Darling is satisfied for the moment, but I should

like to know why we cannot be satisfied in the same way. By this time our Electoral Department should have reached such a state of efficiency as to be able to fix the probable date on which the electoral machinery can be used. Instead of that, the Minister does not know when it can be used; he will make inquiries, but he has not the remotest idea. There is a careful estimate and an accurate conclusion as to October, and everything else is vague and in the air.

Mr. McCOLL. — Suppose there were a penal dissolution.

Mr. JOSEPH COOK. — That is precisely the case I am putting—some grave emergency arising requiring an immediate appeal to the people on some matter affecting their interests. According to the dictum of the Minister, a period of six months must elapse before the electoral machinery can be ready. All this is neither more nor less than a reflection upon the condition of things which obtains in the Department in regard to matters most vitally affecting this Parliament and the interests of the people. My own impression is the same as that of the honorable member for Bland, and I believe of honorable members generally, that the December date fixed for the Senate is the most inconvenient that could possibly be fixed. I urge upon the Government the advisability of submitting a simple constitutional amendment fixing the date of the termination of a Senate term earlier or later than that now provided for. In all the circumstances it would seem that a later date is preferable to an earlier one—that is to say, that a date in February, March, or April, would best suit almost the whole of the people of Australia. It is impossible to fix a date which will suit the interests of all the people, but we may have a fair idea of what will suit the great majority, and in all these questions, which are matters of expediency and administration, it is the interests of the great majority that we ought to consult. I am not quite sure whether what I have suggested should not be done at the forthcoming elections. Certain it is that until it is done we shall have to continue the holding of elections at a time when a great proportion of the people—for whom, in view of the natural disabilities under which they labour, the electoral machinery should be stretched if possible—will be unable to record their votes. They are under natural disabilities in this regard, arising from their remoteness from the polling booths and

centres of population, and from the general conditions under which they live, and we should endeavour to modify and remedy those disabilities as far as possible by means of our electoral machinery. Every one knows that some of our farmers must go from 10 to 20 miles to record their votes.

Mr. WILSON.—And even further.

Mr. JOSEPH COOK.—If, in addition to such a disability, we make it necessary for them to sacrifice their crops and to suffer all kinds of inconvenience, we are imposing what is equivalent to a monetary penalty upon them, and the effect is, in many cases, just the same as if we had no equal franchise at all. A geographical hindrance does not materially differ in its effect from a legislative hindrance, and we might just as well disfranchise these people or give electors in towns two votes to their one, unless they are given some facilities for recording their votes in the easiest, earliest and quickest way. Considered in all its ramifications, the matter is a very important one. It is said that an ounce of fact is worth a ton of theory, and I remember that at the last election I went to address a meeting of farmers in my own electorate. When I reached the place of meeting, although the meeting had been advertised, I found that there were only two assembled to listen to my eloquence. The explanation of that is—

Mr. GROOM.—It does not need any explanation.

Mr. JOSEPH COOK.—The explanation is that there had been four or five wet days, and the day on which I was to address the electors was a fine day. Many of them told me on the way to the place of meeting that they would not be present, as they could not afford to lose the day; it meant so much to them.

Mr. McLEAN.—Did the honorable member make a great impression on the meeting?

Mr. JOSEPH COOK.—I did not hold a meeting, but I will tell honorable gentlemen the sequel of the visit. When the polling-day came I got all the votes in the neighbourhood but two. It is difficult in their busy seasons to get farmers to give attention to political matters, and I suppose it is the more difficult where they have confidence in their representative. One of the men who attended the meeting to which I have referred told me that the small attendance was a vote of confidence in me rather than otherwise, and so it

turned out on the polling-day. I have mentioned this matter to show that natural difficulties are always dogging the farmer's life, subject as he is to seasons and climatic conditions. It is not fair that, in addition to natural disabilities, we should impose disabilities upon country voters arising from defects of our legislative machinery. It is just the same as if we imposed legislative disabilities upon them. Under the Constitution as it stands, a legislative restriction is necessarily imposed upon these electors, and the sooner we can remove or modify it the better for the country as a whole. There is, I think, a consensus of opinion at the present time that the sooner an appeal to the people is made the better. We have the authority of the Prime Minister for saying that this House, as at present constituted, cannot do useful work.

Mr. WEBSTER.—Why?

Mr. JOSEPH COOK.—Because the Prime Minister has not the material with which to work. I should have thought that that had been made clear to the honorable member last night. The Prime Minister is quite impotent to do anything except by the grace and favour of men who do not believe in him, and who are prepared to put him to the sword at the earliest possible moment. That is the condition of affairs to-day. In other words, there is no such thing as responsible government set up. The Prime Minister says that there are three parties in the House, and that we cannot have responsible government with three parties. "Two is company and three is none," is the way practically in which the honorable and learned gentleman describes the present state of parties in this House.

Mr. WEBSTER.—Are the honorable member's remarks connected with the motion?

Mr. JOSEPH COOK.—I should think that the working of this House is vitally connected with the matter of elections. I can conceive of no more vital consideration than the conditions existing in this House, and the possibility of remedying them by constitutional and legislative means. I say that the Prime Minister has himself furnished the best of all reasons why there should be an early appeal to the people, but no matter how great the urgency, we are told that we cannot do it, because the electoral machinery is not ready. That condition of affairs should be remedied, and the electoral machinery should be ready whenever we wish to use

it—within reason, of course, because we cannot expect the necessary adjustments to be made in a moment. I suggest that between now and October or November is a reasonable time within which to make the necessary arrangements. If the compilation of the rolls is in question, seeing that there are now no revision courts to trouble us, that should be merely a matter of the employment of labour for the purpose. The delimitation of the boundaries, and the fixing of polling-places are again merely matters of the employment of labour, and I submit that they should not stand in the way of getting the electoral machinery ready at the earliest possible moment, in order that we may have those great issues settled which both sides of the House are professedly so anxious to have settled, and none more than honorable members opposite, who have declared this House to be an unworkable House, and who seek to dissolve existing parties into two, so that responsible government may be carried on, and good and useful work, such as will lead to the building up and prosperity and stability of Australia may take the place of our present inefficient and unsatisfactory methods.

Mr. GROOM (Darling Downs—Minister of Home Affairs) [3.29].—The honorable member who moved this motion stated that he desired to introduce it in an inoffensive form, that he desired to obtain an expression of the opinion of the House, and not in any way to take up the attitude of dictating to the Government the exercise of His Majesty's prerogative. After all is said and done, what is aimed at is an early dissolution of the House, involving the exercise of the Royal prerogative, which, as a rule, is exercised on the advice of His Majesty's Ministers. On the face of it the motion is certainly inoffensive, and should not necessarily introduce party politics; but under cover of it the honorable member has made a few remarks which seem to indicate that it has been introduced from his own political stand-point. He suggested, for instance, that if the elections were not held at the time he desired certain persons in the community would not have an opportunity to express their opinions on important questions, and that, as a result, the judgment of the electors might be different.

Mr. McCOLL.—That is a pure fabrication.

Mr. GROOM.—If I have misunderstood the honorable member I withdraw the statement; but I understood him to say that the country will be called upon to decide serious issues, and that if the elections are held in the month of December, certain electors being unable to express their opinions, a certain other section of the community will have better chances. Under cover of this innocent motion the honorable member also indicated that the Government were not expressing their opinions upon the absolute facts before them, but were under the control of a certain political party in this House. I think that that statement was made clearly enough, and I can inform the honorable member that no single member on this side has approached me as Minister of Home Affairs with any suggestion as to the date on which the elections shall be held. When the Electoral Bill was being considered last year, I made the statement—and I think that the Prime Minister made a similar one—in reference to a motion brought before the House by the honorable member for Echuca—that all that could be done would be done to expedite the holding of the general elections at the earliest date practicable. That promise has been kept in view ever since. It is the desire of the Government that the general elections shall take place at the earliest date practicable, and the fixing of the polling day will not be determined by political considerations of any kind.

Mr. ROBINSON.—This will be the first Ministry in the world which has acted in such a way.

Mr. GROOM.—Then we shall be setting an example for the honorable and learned member, perhaps, to follow. It must not be forgotten that, in making preparations for a general election, we were faced with the difficult problem of how to put the representation of New South Wales and Victoria on a proper, definite, legal basis. We brought in the Representation Bill, and it was passed by this House.

Mr. DUGALD THOMSON.—It was not necessary.

Mr. GROOM.—I think that it was. Our action was acquiesced in and supported by even the members of the Opposition.

Mr. DUGALD THOMSON.—Of course; but the Bill was not necessary.

Mr. GROOM.—It was absolutely necessary. It laid down certain conditions.

Mr. DUGALD THOMSON.—When a previous redistribution was proposed, Ministers did not think such a measure necessary.

Mr. GROOM.—Because the figures did not show absolutely the need for an alteration in the representation.

Mr. DUGALD THOMSON.—That is not so.

Mr. GROOM.—It is a fact. Of course, the honorable member is entitled to his opinions; but we considered the measure necessary to remove all doubts, and to put matters on a clear, definite, legal basis. Our object was to give to each State the representation to which it is entitled, and, while the honorable member may disagree with me as to the need for the measure, I am sure that he is of opinion that its object was a good one. The Act was assented to on the 23rd November, 1905; but before that we had taken steps to bring its provisions into operation, and, on the 11th December, proclaimed the date for an enumeration. Immediately that had been done, copies of the Act were sent to the States Premiers, inviting their co-operation, and, on the 23rd December, letters had been forwarded to the Statisticians of the States, asking them to get in readiness all necessary figures and information. The enumeration of all the States was completed in time to allow of the issue of the necessary certificates on the 12th January of the present year.

Mr. JOHNSON. — These things should make it easy to expedite the holding of the general elections.

Mr. GROOM.—I refer to them to show that I have done all that I could to expedite matters.

Mr. MCWILLIAMS. Why was the re-organization of the office left so late?

Mr. GROOM.—That is another matter, with which I shall deal later. When we knew what the representation of each State should be, we communicated with the Commissioners whom it was proposed to appoint to make the necessary redistributions, got their consent to act, and supplied them with all necessary data, so that, before the end of February, their commissions had been issued, and they were at work. We received the report from Western Australia on the 18th, and that from Queensland on the 20th April, while the New South Wales report was received on the 3rd, and the Victorian report on the 16th May. In the meantime, acting on the assumption that Parliament would accept the redistributions without alteration,

we had communicated with the Governments of the States, asking for the services of the police in connexion with the re-adjustment of the rolls by the assignment of electors to the new polling places. It has been said that the electoral distributions went through this House because of a collapse; but it was not due to a collapse that we put them through the Senate in the same week.

Mr. DUGALD THOMSON.—Have any of the rolls been printed?

Mr. GROOM.—No; because we have not yet received from the police the information that must be obtained before any printing can be done. In Victoria, the report was made only quite recently, in fact a couple of months or so ago.

Mr. DUGALD THOMSON.—The services of the police are required, I suppose, to arrange the electors according to the polling places?

Mr. GROOM.—Yes. Of course, a number of alterations have had to be made in Victoria because of the reduction of the number of divisions from twenty-three to twenty-two. The police are engaged in assigning electors to the most suitable polling places in the new divisions. Some of the old polling places have been absolutely cut in two.

Mr. DUGALD THOMSON.—A border line has divided them.

Mr. GROOM.—Yes. This is not work which could be done in a day or two, and it is impossible to say, when so many contingencies have to be taken into account, on what date, three or four months ahead, the elections can be held. We have about 5,000 registrars throughout Australia, some of them acting in the suburbs of Melbourne and the adjacent country, and others as far away as the northern parts of Queensland, Port Darwin, and the remote places in Western Australia. In the Grey division of South Australia, the chief centre is Petersburg, and if the divisional returning officer wishes to correspond with the registrars in the Northern Territory, which forms part of that division, his letters have to be sent half way round the Continent by sea, and the replies returned over the same enormous distance. Maranoa is an immense division of which the boundaries have been changed, and the police are now in its outlying districts in search of information. Even where divisional boundaries have not been altered, we are trying to get the most up-to-date information before reprinting the rolls.

Mr. DUGALD THOMSON.—When is it proposed to begin the printing of the rolls?

Mr. GROOM.—The registrars have been asked to send in, as soon as possible, all information available; but the Chief Electoral Officer cannot yet say when the registrars of a State like Western Australia will be able to comply with that instruction. After this information has been sent to the Commonwealth electoral officers of each State, true copies of the rolls will have to be prepared, and these will be sent to the various Government printing offices. Thus it will be seen that the preparation of the rolls cannot be materially hastened by the employment of extra assistance, though instructions have been given to employ additional hands wherever that may be necessary to secure expedition. When once the copies of the rolls are in the hands of the various Government Printers, it will be possible to make an estimate of the time which will be required to print them, though experience shows that these estimates will not be accurate to within a week.

Mr. DUGALD THOMSON.—The printing will take seven or eight weeks.

Mr. GROOM.—In one State it will take ten weeks.

Mr. MCWILLIAMS.—It should not take so long.

Mr. GROOM.—In Victoria the Government Printing Office has to cope with all the work entailed by the printing and publication of the records of this and the State Parliament, and the printing of the electoral rolls will be a very heavy additional burden.

Mr. CROUCH.—The police have not yet started to work in Victoria.

Mr. GROOM.—They started some time ago.

Mr. WATSON.—Are they going round New South Wales, too?

Mr. GROOM.—Yes. Instructions were issued some time ago, and they are now collecting information.

Mr. WATKINS.—Are they collecting fresh names?

Mr. GROOM.—They make their usual annual canvass on the 1st July. We have asked them, whilst they are making their annual canvass, to make a comparison with our rolls, and to send us such additional information as will enable us to bring our rolls up to date.

Mr. HUME COOK.—Is that being done in Victoria?

Mr. GROOM.—No. In Victoria they have not an annual collection, as in New South Wales. We are merely taking advantage of the electoral machinery that they have in that State.

Mr. HUME COOK.—Will not the Victorian Electoral Department work with the Commonwealth Department?

Mr. GROOM.—Yes, and we intend to utilize the State electoral machinery as much as possible.

Mr. JOSEPH COOK.—Will the New South Wales Electoral Department work with the Commonwealth?

Mr. GROOM.—Yes, and all the necessary instructions have been given. In Queensland a collection has recently been made, and we find that many additional names can be placed upon our rolls. We find that in Tasmania there are many additional names on the State rolls, and we have asked the assistance of the police in the compilation of our rolls, in order that they may be rendered as complete as possible. In every State we are endeavouring to make the rolls as perfect as possible. All this is causing a very heavy strain on the Department, and extra work beyond anything that was contemplated. We hope that when we arrive at electoral uniformity, and the State and Commonwealth authorities are able to co-operate, there will be an annual collection throughout the Commonwealth, as is now the case in New South Wales. I am merely mentioning these facts to enable honorable members to realize the enormous difficulties in the compilation of the rolls, and in the readjustment due to the desire on the part of the Government to give each State the representation to which it is entitled. The officers of the Department have had to work extremely hard, and the Acting Chief Electoral Officer, Mr. Bingle, who has been doing the electoral work, in addition to discharging his duties as chief clerk, has laboured so assiduously that he has injured his health. I think that it is only due to that officer, who has been working admirably, and whose reputation may be affected if the Electoral Department has not accomplished all that has been expected of it, to mention what has been done. I have only, so far, reached the stage of printing the rolls. After the rolls have been printed they will have to be distributed throughout the length and breadth of Australia.

Mr. DUGALD THOMSON.—It is understood that the printing of the rolls will take about ten weeks?

Mr. GROOM.—Yes, I understand that the work will occupy that time in Victoria.

Mr. MCWILLIAMS.—Ten weeks seems to be a ridiculously long time.

Mr. GROOM.—The Victorian printing office has three rolls to print, and if I can arrange to have the work done in less than ten weeks, I shall do so. All the State printing offices have done their best to print the rolls expeditiously. They have been working up to their full capacity.

Mr. MAUGER.—They are working up to ten and eleven o'clock at night in the Victorian office.

Mr. GROOM.—In connexion with the publication of the reports of the Electoral Commissioners, I gave instructions that wherever the Commissioners required assistance it was to be at once granted to them. Therefore, there was no excuse for unnecessary delay in that direction. When the rolls are printed, they will have to be distributed all over Australia. If, for instance, we printed the Western Australian rolls here, they would have to be despatched to that State, and some of them would have to be sent along the northern coast as far as Wyndham.

Sir JOHN FORREST.—Why should they be printed here?

Mr. GROOM.—Because it was found last year that it was not practicable to have them printed in Western Australia. It is my desire to have the rolls printed in Western Australia, and, if satisfactory arrangements can be made, I shall see that the work is done there.

Mr. JOSEPH COOK.—All that the Minister is saying shows that there is an impossible centralized control.

Mr. GROOM.—Nothing of the kind. My predecessor authorized the printing of the rolls in Melbourne, and I think that be acted quite properly under the circumstances. The printing could not be done in Western Australia. I am merely relating a few facts which are inconsistent with the statements made by the honorable member. The distribution of the rolls will occupy a considerable time; but if the elections can be held on or about the date mentioned in the motion—the question as to whether it is practicable will, of course, have to be decided by the Governor in Council—every effort

will be made in that direction. I have here a complete table showing exactly what has been done. The Commonwealth electoral officers have been working day and night, including Saturday nights, in order to push on with the work.

Mr. McWILLIAMS.—Why was not the office reorganized at an earlier date?

Mr. GROOM.—I do not know. I think that the permanent appointments should have taken place before I took office. When I assumed control, I found that all the most important offices were filled by gentlemen who had been temporarily appointed. In Queensland we had an excellent official, who was borrowed from the Postal Department. He was carrying out the work efficiently, but he was unable to continue to do so without interfering seriously with his ordinary duties. It was, therefore, necessary to appoint a man who could devote the whole of his time to the work. I found it necessary to have a Chief Electoral Officer, and to appoint in three of the States Commonwealth permanent electoral officers. These appointments would have been necessary even if the Electoral Office had been administered through the Postal Department. We still hope that the States Governments will come into line with us, and do away with the necessity for two sets of officers to perform practically the same work. We have been in communication with the States Governments, and a Conference of the States and Commonwealth electoral officials has been held, with a view to ascertaining if we cannot harmonise our arrangements and save a large sum of money. If we succeed in this direction, we shall have a more efficient system of registration, and better rolls, and also effect considerable economies. I mention these facts in order to show honorable members the difficulties which would beset the Chief Electoral Officer if he were told that the election must take place by a certain date.

Mr. JOSEPH COOK.—The Minister has not mentioned that all the arrangements have been upset owing to his having declined to take notice of what another Government had done.

Mr. GROOM.—That is not so. I had such a regard for the State represented by the honorable member that, when I found that its representation rested on an unconstitutional basis, I preferred to place it on a legal basis that could not be questioned.

Mr. JOSEPH COOK.—The Prime Minister is responsible for that, owing to the mistake that was made in connexion with the distribution.

Mr. GROOM.—No, he was not. All that happened was that certain statistics were published that did not reveal the necessity for a distribution.

Mr. DUGALD THOMSON.—But the Government went through the process of redistribution.

Mr. GROOM.—That was done on the assumption that the action was constitutional, but doubts were subsequently raised. I think that the representatives of Victoria fully appreciate the value of the opinion given by no less a person than Mr. Irvine, who advised that the then proceeding was unconstitutional.

Mr. DUGALD THOMSON. — He advised that it would be unconstitutional under any circumstances to give New South Wales an extra representative, whilst taking one away from Victoria.

Mr. GROOM.—I do not think so; he questions the unconstitutionality of acting upon the figures that were published. Since then the necessary legal basis has been supplied. Last year the honorable member for Echuca asked that we should arrange to hold the election at the earliest possible date. I promised the honorable member that I would endeavour to do so, and I think that I have given sufficient evidence to show that that promise has been kept, and that it will be honoured. As we move forward we shall endeavour to arrange for the holding of the election at the earliest possible date. In fixing the date, we shall have to look at the matter from an Australian stand-point, and must not be unduly influenced by consideration for Victoria, for New South Wales, or for any other State. If it is found that owing to the harvest in Victoria it is impossible for the farmers to go to the poll upon the date of election, it will be a matter for consideration whether some system should not be devised to enable them to record their votes by the machinery of the ballot. The honorable member for Echuca is not the only champion of the farmers. There are honorable members on this side of the House who are direct representatives of the farming section of the community, and who have studied their interests perhaps even more closely than the honorable member has done. It would be well for the honorable member to consider whether his present course of political

action is likely to conduce to the interests of those whom he is desirous to serve. We have always borne in mind the interests of the farmers, and will continue to do so, because we recognise that they form one of the most deserving sections of the community. We have, however, to consider the interests of the whole of the electors, and have to fix a date that will be best for all concerned. That matter is now receiving consideration. If honorable members express the opinion that the election should be held at the earliest possible date, they will merely be declaring themselves in favour of that which has already been done, and is still being carried out by the officials administering the Department, both at the head office and at every branch throughout the Commonwealth.

Mr. McLEAN (Gippsland) [3.58].—I was very pleased to hear that the Government were in favour of holding the elections at the earliest possible date. The Minister indicated the progress which is being made with the work of preparation for the elections, but he did not show that it would not be possible to hold the elections before the date mentioned in the motion.

Mr. GROOM.—I did not mention any particular date. It may be possible to hold the elections on the date suggested. I indicated that, and I hope that the elections may be held then. But I stated that it was impossible to bind the Chief Electoral Officer down to any particular date.

Mr. McLEAN.—I think that he might be bound down to a certain limit.

Mr. GROOM.—In giving instructions to the officers, I indicated that, if possible, arrangements should be made to enable the elections to be held not later than the middle of November.

Mr. McLEAN.—I am very glad to hear that, because every honorable member who has had any experience must know that it is quite practicable to hold the elections within that time. We are all familiar with the formal matters to which the Minister has referred, and we know that they can be attended to simultaneously in all the States, and that the great distances to which reference has been made do not impose insuperable barriers to reasonable expedition. When I was at the head of the Customs Department, I used to receive telegrams from the most remote parts of the Continent, and I must confess that I never experienced the slightest difficulty in replying to them by

wire upon the same day. Surely the same expedition can be observed in giving instructions—by wire or otherwise—to officers in different parts of the Commonwealth. If the Government desire to hold the general elections before the middle of November, we all know that it is quite possible for them to do so, and I think the necessity for doing so has been pretty well emphasized already. I have given a good deal of consideration to this matter. I am not one who would advocate the granting of facilities to farmers which are denied to any other section of the community. I merely wish, as far as it is practicable, to place the farmers upon an equality with other sections of the community. We know that in spite of anything that we may do we cannot place them upon exactly the same footing. They have to contend with many difficulties which are not experienced by any other class. A good deal has been said in reference to the shearers. I am as much interested in extending to the shearers facilities to vote as I am in granting them to the farmers. But the obstacles in their case are of an altogether different character. If a shearer leaves his own State, and goes to another to pursue his avocation, there is no practical difficulty in the way of him availing himself either of the "Q" form or of the postal vote.

Mr. BROWN.—He cannot vote outside his own State upon a "Q" form.

Mr. McLEAN.—He can use the postal vote.

Mr. KENNEDY.—But he never knows for a week ahead where he will be upon a certain day.

Mr. McLEAN.—He is at liberty to take out the necessary form any time after the issue of the writs.

Mr. TUDOR.—Cannot the farmer do the same?

Mr. McLEAN.—No. The farmer may be within five miles of a polling booth and yet be unable to discontinue his operations in order to exercise the franchise. There is no great loss involved in the discontinuance of shearing for half a day.

Mr. KENNEDY.—The trouble is that if a man stops operations without the consent of his employer, which is not always obtainable, he has no employment to return to after he has recorded his vote.

Mr. McLEAN.—I have had a good deal of experience in connexion with these matters, and I have never known a single instance of an employer preventing a man

whose services could be spared, from recording his vote. The difficulty with the farmer is that when his grain is ripe, he cannot incur the risk of leaving it, in order to attend the polling booth. The loss of time that would be thus occasioned is a mere trifle. His chief difficulty is the loss that he might incur by reason of the grain falling out of the ears of his crop. As a practical farmer, the honorable member for Moira knows that. He knows that the loss to which the farmer is liable is infinitely greater than that to which any other section of the community is exposed.

Mr. KENNEDY.—There is another factor, too, which always weighs with him where employes are concerned. When they go to the polling booth, they sometimes do not return to their work.

Mr. McLEAN.—It is to be presumed that they do return. I hope that the honorable member is not arguing against the interests of the farmer.

Mr. KENNEDY.—Oh, no.

Mr. McLEAN.—I quite agree with the honorable member for Echuca that at the next election there may be the gravest issues involved—issues affecting the interests of the farmer in particular. For instance, if I may be permitted to refer to it, one question which is almost sure to be a prominent feature in the campaign, and one which affects the interests of the farmers vitally, is the proposal to impose an additional land tax. It appears to me that very few honorable members realize the present condition of taxation as between country and city. I will give a very simple illustration of my meaning, and one which will serve to convey to honorable members an accurate idea of what exists at the present time in Victoria. Let us assume that two brothers start life, each being worth £10,000. Let us further suppose that one embarks upon a business in the city, and that the other purchases 10,000 acres of land at £1 an acre. The outside rental value of that land, at 5 per cent., is £500 annually, but it would probably be much nearer 4 per cent. Assuming that the brother in the city earned £500 gross from his business, he would be called upon to pay an income tax of £5. That is the rate ruling in Victoria. But what would the country man have to pay? Out of his 10,000 acres, which are worth £1 an acre, there would be 2,500 acres exempt from taxation. The balance of 7,500 acres would bear a tax of 3d. in the £1, or 3d. per acre, which

would amount to £93 15s. The local rate for making roads, not exclusively for his own use, but for that of the general public—I am taking the lowest rate prevailing in Victoria—would be £25. His income tax on a rental of £500 would be just double that levied upon the business man in the city. In other words, it would be £10. He would thus have to pay a total of £128 15s. in taxation, as against his brother's £5. Yet, what are the questions which are likely to be submitted for decision at the next election? From all that we can judge at the present time, one of the proposals will be more land taxation for the country yokel and more protection for the city man. I have always been an advocate of protection, but I believe in a little modicum of justice. We have been told by the Minister that there are a number of farmers' representatives upon the other side of the House. I do not doubt his statement for a moment, and I do not doubt that they will vote for this motion. I am not particular whether the motion be carried or not, so long as the Government will agree to hold the elections at the earliest possible moment. They can do it, as we all know, and I sincerely hope that they will.

Mr. CROUCH.—Does the honorable member say that land which is worth £1 per acre pays 3d. in the £1 taxation?

Mr. McLEAN.—Yes. I go further and say that there is a good deal of land in Victoria which is classified at 10s. and 5s. per acre, and which also bears the same rate of taxation. One pound per acre for taxation purposes is the minimum, and lands which are classified at 15s., 10s., and 5s. per acre contribute at the same rate.

Mr. CROUCH.—The taxation is based, not upon the cash value of the land, but upon its sheep-carrying capacity.

Mr. McLEAN.—The only person who obtains any advantage under the present system is the individual who holds high-class land which is worth more than £4 per acre.

Mr. CROUCH.—Land valued at £1 per acre is not classified at £1 per acre, but according to its sheep-carrying capacity.

Mr. McLEAN.—If it is not worth 2s. 6d. an acre, it is valued at £1 for taxation purposes.

Mr. WEBSTER.—Is this an electioneering address?

Mr. McLEAN.—I am advancing reasons why the farmer ought to be allowed to

record his vote. One of those reasons is that his own vital interests will be at stake at the next election.

Mr. WEBSTER.—Who will prevent him from recording his vote?

Mr. McLEAN.—Those who oppose the holding of the elections at a time when he would be afforded reasonable facilities to exercise the franchise.

Mr. WEBSTER.—Who does the honorable member imagine will do that?

Mr. McLEAN.—I do not know that any one will. The speech of the Minister of Home Affairs encourages the belief that the Government intend that the elections shall be held at the earliest possible date. All I wish to emphasize is the necessity for that step being taken. I wish also to emphasize that there are no practical obstacles to prevent that being done. If the Minister will give peremptory instructions that the elections must not be held later than the middle of November, I am perfectly satisfied that his officers will carry them out.

Mr. BROWN.—In Victoria, a section of the press has been declaring that the elections should be held in October.

Mr. McLEAN.—I should very much like to see them held in October; but I am afraid that there are some constitutional difficulties which prevent that. But certainly they should be held before the middle of November. If they take place at any later period, harvesting operations will be in full swing, and a very large proportion of the farming community, including their employés, who are equally entitled to consideration, will be disfranchised. Where it is manifest to the workers that they cannot leave their employer's crop without involving him in serious loss, my experience is that they refuse to inflict that loss upon him.

Mr. MAUGER (Melbourne Ports) [4.12].—I move.—

That all the words after the word "House" be left out, with a view to insert in lieu thereof the words "the general election should be held as soon as practicable."

I do not know why honorable members should laugh at my proposal. If they do not desire to embarrass the Government, and to make this question a party one, they will accept the amendment. It is quite impossible to fix a date for the holding of the forthcoming elections, and my only regret is that in discussing a question of this kind, upon which there should be no

party feeling, references to Socialism and land taxation have been dragged in. All parties agree that it is desirable that the elections should be held at the time which is most suitable to the largest number of voters. I am sure that the Government are just as anxious that the elections should be held at as early a date as possible, as any honorable member of the Opposition can be. It is within my own knowledge that officers of the Electoral Department are working night after night till 10 o'clock at the present time, and it will be necessary to subject them to even greater pressure. I trust that the amendment will be carried.

Mr. SPEAKER.—Is the amendment seconded?

Mr. CROUCH.—I desire to second it.

Mr. DUGALD THOMSON (North Sydney) [4.15].—Mr. Speaker—

Mr. CROUCH.—Am I not entitled to speak to the amendment?

Mr. SPEAKER.—The honorable member for North Sydney has risen two or three times, and I am bound to see him next. I asked if there was a seconder for the amendment, and the honorable member for Corio, having seconded it, I put the amendment to the House. I must now call the honorable member for North Sydney.

Mr. CROUCH.—On a point of order, while I have no objection to the honorable member for North Sydney being given precedence of me, I desire to speak to the amendment, and I submit that it is not necessary that, in seconding it, I should do so formally. I understand that, desiring to second an amendment, I am at liberty to make a speech, and conclude by doing so.

Mr. SPEAKER.—That is so, undoubtedly, but I took it that the honorable member rose to formally second the amendment. Honorable members are aware that I waited for some moments to see if the amendment would be seconded, and when, as I understood, the honorable member formally seconded the amendment, I called on the honorable member for North Sydney. The honorable member for Corio will be able to speak later, if he so desires.

Mr. DUGALD THOMSON.—I should not have the least objection to give way to the honorable member for Corio, but for the fact that I must catch the express, and I shall lose my opportunity if I do not

speaking now. I should not have spoken were it not for a remark made by the Minister. The honorable gentleman said that, in his opinion, the re-organization of the Electoral Department should have been taken in hand before his entry into office. The reorganization that is spoken of is not a very serious matter. The honorable gentleman has appointed an officer as Chief Electoral Officer, and otherwise, I believe, he has practically the same staff as comprised the Department before his acceptance of office.

Mr. GROOM.—Commonwealth officers have been appointed in the States, and other matters have been attended to.

Mr. DUGALD THOMSON.—A Chief Electoral Officer has been appointed, but, speaking generally, the same staff is conducting the operations of the Electoral Department which conducted them in the past. I informed the House, when I had an opportunity of speaking on the proposals submitted by the Minister in connexion with the Electoral Bill—which proposals were largely amendments which I had previously adopted—that I was satisfied that no reorganization on the present lines will achieve what is necessary, in the case of an electorate so large as all Australia, to secure the efficient, speedy, and successful carrying out of elections. I was then convinced, and I am still more convinced by what we know to-day, and by the remarks of the Minister, that when we have to reach the remote confines of Australia with our electoral administration, and must control such an enormous area from one centre, the Department operating over all that area must be handling the electoral administration, not merely at the time of an election, or suddenly when the rush of an election comes on, but day by day and hour by hour during the whole period between elections. That can only be accomplished by a staff so large and so permanent in character as that represented by the staff of the Commonwealth Post Office Department, assisted—and that could be arranged—by the States police forces and by States school teachers in remote districts. With a reorganization of the Electoral Department on those lines, we should have the strongest electoral staff in the world. In conducting the business on the lines at present adopted, there will always be weaknesses, because we are depending upon men in remote districts who are not permanent officers of the Commonwealth.

They are men in receipt of small salaries, and liable to be removed from time to time. They constitute weak links in the chain; some of them give way and then the whole system breaks down.

Mr. WEBSTER.—One State officer received a voucher for 10½d. for his services during a year.

Mr. DUGALD THOMSON.—I do not know what that individual could have had to do.

Mr. WEBSTER.—He was a registrar.

Mr. DUGALD THOMSON.—The fact shows either that there was no work for him to do, and that he should not have been appointed, or, if there was work for him to do, that he did not do it, and should not have received the 10½d.

Mr. WEBSTER.—He did the work, but he returned the 10½d.

Mr. DUGALD THOMSON. — These officers form a number of weak links in what ought to be a very strong chain extending throughout the Commonwealth. I had come to the conclusion, in which I have been confirmed by the remarks of the Minister to-day, that if the work of the Electoral Department is to be done thoroughly, it must be in hand all the time. Honorable members will see that if a returning officer is removed from his position, there is an electoral chaos in his district for a time, because his successor will know nothing of the work. If it were the work practically of a permanent Department, every boy and youth in it would come in contact with that work day by day, just as they do with the money order business of the Post Office Department at the present time, and in the event of vacancies arising there would be an enormous staff of persons competent to undertake the conduct of the business, from which they could be filled. I repeat that there is no reorganization attempted now. There has been merely the placing of one officer, who in his position in Tasmania was a very good officer, and who, I hope, will prove to be a good officer in the position to which he has now been appointed. In the coming elections other officers in the Department will naturally, from their previous connexion with the work, be more useful for the time being. I have no desire to unduly criticise the Department or the Minister. I am aware that the officers in the Department work their very hardest, and, indeed, overwork themselves in their endeavours to carry on the necessary electoral work. I have every sympathy with

them. I know that the Minister will also have to overwork himself in connexion with the coming elections. But I do say that there has not been that anticipation of difficulties which might be expected. For instance, I may refer to the measure which created a difficulty in the first instance, and to which the Minister has alluded. It fixed the occasions for the redistribution of State representation. The result attained by that measure was just the same as that which would have been obtained by the process which the previous Ministry desired to adopt, and which was the very process which had already been adopted by the Barton Government, of which the present Prime Minister was the Attorney-General. It seemed to me that that measure was brought in by the present Government to save its face, or to save the face of some of its members. Some of them having said in the press, before they became Ministers, that the process proposed by the late Government was not right, they had to do something, or it would have been an admission that they had been incorrect in their statements. That delayed matters; but we have passed that, and have come now to the position after the last redistribution. I quite agree that an enormous amount of work had to be done after that. In some cases the whole of the voters in certain polling areas had to be transferred from the old electorate into a new electorate. That is not a very difficult task where there is no division of a polling area by the alteration of a border line.

Mr. GROOM.—Some of them have been cut in two.

Mr. DUGALD THOMSON.—That is so. Some of the polling areas have been bisected.

Mr. MCCOLL.—Very few, I think.

Mr. DUGALD THOMSON.—There must be a great many throughout the Commonwealth.

Mr. GROOM.—That is quite true. There are many in Victoria alone.

Mr. DUGALD THOMSON.—The honorable member for Echuca might not know it, but in the Department it is known that it is difficult to judge from the maps where polling places get their voters from, as electors have their names put down for polling places at some considerable distance from the place at which they reside.

Mr. MCCOLL.—But I presume that transfers are made from the various centres to other large centres?

Mr. DUGALD THOMSON.—The transfer is a matter which must take some time. The officers must go round and collect all the names, ascertain which division they are in, and which polling place the electors are to be enrolled for.

Mr. TUDOR.—The difficulty applies more to the country than to the town electorates.

Mr. DUGALD THOMSON.—The matter is, of course, much more difficult in country electorates. One of the causes of delay, of course, arises in connexion with the printing. I am not aware whether the Minister has already adopted the course, but I would suggest that the printing should go on immediately after the receipt of the Commissioner's report.

Mr. GROOM.—We do not wait until all the materials are complete, and the officers of the Department have instructions to proceed as soon as possible with the printing.

Mr. DUGALD THOMSON.—What I had decided was that immediately the reports of the Commissioners were in, all the registrars should be communicated with to send down the latest information.

Mr. GROOM.—They are at work upon that now.

Mr. DUGALD THOMSON.—If that course had been adopted, the information from the bulk of the electorates should be in the hands of the Department now.

Mr. GROOM.—No.

Mr. DUGALD THOMSON.—I think there should be a great deal of it in.

Mr. GROOM.—Even the police returns are not in yet. The honorable gentleman will remember that the report of the Commissioner for Victoria was fairly late in coming in.

Mr. DUGALD THOMSON.—The honorable gentleman refers to the police returns in the case of border polling areas?

Mr. GROOM.—Yes.

Mr. DUGALD THOMSON.—I think there was no necessity to have waited for them. The information might have been obtained from the central polling places, comprising the bulk of the electors. If the registrars were asked to send in the latest information as soon as the Commissioners' reports were received, that information should be in now for many of the city and suburban electorates, and for the nearer country districts. If they have sent that information in, the necessary alterations can be made, and all the rolls except those for the border line polling areas for-

warded to the printing offices. A great deal of time is always taken in printing the rolls, and a hitch of some kind or other may happen at any time; but if a great many of the rolls are dealt with now, there will be an opportunity to rush the others through later on. I am in sympathy with the object of the honorable member for Echuca, though, knowing the difficulties with which the Department has to contend, I think, after what the Minister has said, that the officers will have great trouble in getting everything ready for elections even so late as the 31st December. It will be only by adopting the best methods that the elections can be held at an earlier date, though in saying that I am not criticising the Minister, or questioning his sincerity. Every week by which the time between now and the date fixed for the elections is diminished will serve to prove the increased activity of the officers of the Department, who are now, I know, working very hard. We have not yet faced the problem of organizing a Commonwealth electoral staff, but I feel that at some future time Parliament will be compelled to do so. I hope that when that is done means will be taken to keep the rolls complete from day to day by the assistance of the letter-carriers throughout the various States, instead of, as now, getting them as complete as possible for an election—they are often even then very incomplete—and then allowing them to fall back until they can be got ready again for a new election, not in a month or two, but after a frantic rush during five or six months. I agree with the honorable member for Echuca that, in fixing the date for a general election, the convenience of the electors should be studied, and that, whenever possible, loss should not be entailed upon them, by requiring them to record their votes at a busy period of the year. But we have no right to consider how one political party or another will benefit by the fixing of the date of the elections in a particular month. The honorable member for Echuca may have suggested that it would be to the disadvantage of the Labour Party to hold the elections on the date he proposes, while the leader of that party may have said that it would be to its advantage to hold them then, because it would give the employés of the farmers an opportunity to vote. The real question is, what is the best date to fix to prevent interference with the occupations and avocations of the electors. I trust that the Govern-

ment will expedite the holding of the coming elections. The later in the year that the elections are held, the greater will be the number of persons penalized. I agree with the honorable member for Bland that it might be a good thing to hold the elections in the first half of the year, but the forthcoming elections must, of course, be held before the end of this year, and as soon as possible. If, by extra exertion—and a great deal of extra exertion will be needed—the elections can be held on the date named by the honorable member for Echuca, that date should be fixed.

Mr. CROUCH (Corio) [4.35].—Although I seconded the amendment, I did so chiefly to secure an opportunity to speak at once, because it seems to me to matter little whether the motion be carried as it stands, or as it is proposed to amend it. In any case, the elections will be held as soon as practicable, because on the 15th November Parliament will be in recess, and possibly this House will have been dissolved, so that the Government will then have a free hand, and will, of course, do only what is practicable in the matter. I regret, however, that a tendency has been shown by some members of the Opposition to make political capital out of the motion. With the exception of one or two representatives of metropolitan divisions, practically all of us represent rural as well as urban voters. Even the Melbourne Ports division is big enough to contain a certain number of farmers.

Mr. HUME COOK.—I represent fifty-four.

Mr. CROUCH.—I regret, therefore, that the honorable member for Gippsland suggested that the question is that of town *versus* country. We have had a good many indications of the fact that at the next general elections the Opposition intend to raise the flag of anti-Socialism, but there have been a good many false issues raised, and it was interesting to hear the honorable member compare the difficulties under which the farming population labour with the position of the manufacturing population of the towns. According to him, the issue at the next elections will be whether, to use his own words, the country voter should be taxed to give more protection to the manufacturing population in the towns. We may take it that that branch of the Opposition which consists of so many ingredients, and now places itself under the leadership of the honorable member for Gippsland, who repudiates for the time that

of the right honorable member for East Sydney, is going to fight against further protection to the manufacturers of Victoria.

Mr. SPEAKER. — The honorable and learned member is not now discussing the question before the Chair.

Mr. CROUCH.—I regret that this matter has been brought in, and the issue of town *versus* country raised; but, as the honorable member for Gippsland has raised it, I felt it necessary to refer to it. The Minister has told us that delay must occur, because the police in Queensland and New South Wales have not yet sent in complete lists. I think it a very great pity that the collection and revision of the rolls is not conducted on a uniform system throughout the States, and that the police are not similarly employed in Victoria. It is unfortunate that the Commonwealth depends for the correctness of its rolls upon States machinery.

Mr. GROOM.—We have a collection of our own every three years.

Mr. CROUCH.—Yes; but it seems to me unfair that, because the States machinery is better in Queensland and New South Wales than it is in Victoria, the candidates for election in those States should be able to go to the country on more up-to-date rolls than are obtainable in Victoria.

Mr. GROOM.—We are trying to arrange with the States for an annual collection.

Mr. CROUCH.—I do not think that we should depend on the machinery of the States. It is an unfortunate thing that we have not a uniform Commonwealth method. There has been a special effort made by members of the Opposition to place in the wrong the representatives of farming constituencies who sit on the Ministerial side of the Chamber. As in my division there are 16,000 rural electors, and only 12,000 urban electors, I am naturally desirous of doing all that I can for the protection of the farmers, and therefore resent the attempts which have been made to show that we on this side are not their friends.

Mr. McLEAN. — The honorable and learned member need make no explanations if he votes properly.

Mr. CROUCH.—The honorable member for Gippsland wishes to have the 15th November fixed upon as the date of the next general election; but I prefer to have the election take place as soon as practicable, which may mean that it will take place before that date.

Mr. McLEAN.—That explanation will not be accepted by the farmers.

Mr. CROUCH.—If it does not, I, and not the honorable member, will take the consequences. At any rate, the farmers will not be deceived by the protestations of those who say that they are anxious that the general elections shall be held on the 15th November, when, possibly, they could be held a month earlier. I do not wish to deal with the constitutional point which has been raised. It may be, if the members of the Senate are required to attend in their places within thirty days of the general elections, that senators will be summoned to attend a meeting of a Parliament in which they may have only a few days to sit, and, possibly, if the elections for the Senate and the House of Representatives are to be held on the one day, it will be necessary under the Constitution to hold them on some day in December. Of course, if that is so, we must bow to the Constitution.

Mr. SPENCE (Darling) [4.46].—I fully expected that when the question as to the date upon which the elections should be held was raised, consideration would be given to the interests of all classes of electors. Instead of that, it appears that a certain number of farmers in Victoria—a small percentage of them—desire that a date shall be fixed that will be suitable to them, without paying consideration to any other class. I wish to enter my emphatic protest against this attempt to show favour to one class over another. We are here to represent, not any particular section of the community, but the whole of the humanity of Australia. We represent the electors, not as they are associated with the possession of property of one kind or another, but merely as men and women, and every elector is entitled to equal consideration. The first suggestion that the elections should be held in October, to meet the convenience of the farmers, was made by the Farmers and Property Owners' Defence League. In the interests of a much more numerous class, whom I thought were entitled to equal consideration, I addressed a letter to the Prime Minister objecting to the elections being held in October.

Mr. JOSEPH COOK.—The Minister stated that no attempt had been made to influence the Government in regard to the date of the election.

Mr. SPENCE. — Honorable members are too fond of insinuating that the Go-

vernment are liable to be influenced by members of the Labour Party. I merely wrote a letter containing a statement of fact, namely, that October would be the most unsuitable month that could be selected so far as the shearers were concerned.

Mr. McLEAN.—What about class representation now?

Mr. SPENCE.—The principal sinner in that respect is the leader of the Opposition, who has expressed his approval of the attitude assumed by the Property Owners' Defence League. Now we find the honorable member for Echuca, the deputy leader of the Opposition, and the honorable member for Gippsland, taking up a similar attitude. The honorable member for Gippsland had a good deal to say about the imposition of a tax upon the farmers. I do not know who is going to make such a proposal.

Mr. McLEAN.—The honorable member's leader has announced his intention to do so.

Mr. SPENCE.—No, he has not. He has announced that he is in favour of taxing the big estates.

Mr. JOSEPH COOK.—And he has, at the same time, indicated that the States Parliaments will look after the taxation of the smaller men.

Mr. SPENCE.—Nothing has been said by any member of our party in advocacy of a tax upon farmers. In dealing with this question, we should consider what date will prove most suitable for all parties. Unfortunately, any date in the latter half of the year is unsuitable for a certain proportion of the electors. I believe March would be the best month to select. I have no objection to the fixing of a date that would be convenient for the farmers, but I claim that the interests of other classes must also be considered. If the elections were held at harvest time, many more farm labourers than farmers would be disfranchised, and, if in October or November, many thousands of shearers who could not take advantage of the postal vote, would be unable to go to the poll. The farmer, who has a home, and a postal address, is in a much better position to avail himself of the facilities for voting by post than is the nomadic shearer or shed hand, who does not know when he will have to change his address. A shearer cannot tell definitely when the shed in which he is engaged will cut out, or the shed to which he

will next proceed, so that there are practical difficulties in the way of shearers availing themselves of the postal vote. In New South Wales shearing begins in July or August, and is in progress in some parts of that State at the end of the year. The great bulk of the shearing, however, is done in September and October, whilst shearing in Victoria practically begins in October. In New South Wales and Queensland the shearing sheds are great distances apart, and in many cases three weeks are occupied before a reply can be obtained to a letter despatched from one of the shearing sheds to the metropolis. We find that there is something behind this movement ostensibly in the interests of the farmer. What is now being proposed is merely a means to an end. The honorable member for Echuca began his address by referring to the influence exercised by the Labour Party, and to the desirability of bringing about a radical change in this Parliament. I should like to know why this reference should be made to party politics in connexion with the subject now under discussion. It is apparent to me that an effort is being made to fix such a date that a large number of those who vote for labour representatives will be disfranchised. It seems to me that it would be disgraceful if such a result were brought about.

Mr. JOSEPH COOK.—Hear, hear.

Mr. SPENCE.—The honorable member for Parramatta, who cheers my statement, was one of those who were responsible for the introduction of party politics into this discussion.

Mr. JOSEPH COOK.—I merely replied to the remarks made by the honorable member for Bland.

Mr. SPENCE.—The idea underlying this movement for the holding of the elections at an earlier date than previously is to, if possible, weaken the Labour Party, and I strongly protest against any assistance being lent to those who desire to bring about that result. I do not wish to see the supporters of any party disfranchised. I think that equal opportunities should be given to all classes. The farmer may be put to some slight inconvenience in proceeding to the poll at harvest time; but, unless the weather conditions are quite exceptional, he runs very little risk of loss. The farm labourer, who has to stop work in order to record his vote, loses his pay, and that is an important matter to him. In these days of improved

machinery the farmer runs little or no risk. Then, again, we know very well that a comparatively small number of crops ripen simultaneously, and therefore only a small percentage of farmers would be harvesting on election day. In fact, if the Government could arrange for the election to take place on a wet day, the farmers would have no right to complain. The Government, in dealing with this matter, must consider the whole of the Commonwealth, and not take into account the conditions which prevail in any particular district. The harvesting season varies in different parts of the Commonwealth, and a date that would be convenient for the Victorian farmers might be extremely unsuitable for those located in other places. If the elections are held at an early date, as has been suggested, thousands of shearers—there are 16,000 shearers in the New South Wales union alone—will be disfranchised.

Mr. McLEAN.—The honorable member must know that there are far more farmers than there are shearers.

Mr. SPENCE.—There are not. The honorable member knows that what I say is perfectly correct. There is a percentage of farmers only who are interested in the holding of the elections at a certain period of the year. I need scarcely point out that all the shearing sheds do not start operations upon the same date, neither do all the farmers commence reaping their crops simultaneously. I maintain that the agriculturists who engage in harvesting at a particular period of the year comprise but a limited number of the farming class. The latter need not lose a single vote, if they choose to exercise it. Upon more than one occasion we have heard the leader of the Opposition use strong language in speaking of those who were careless and apathetic enough not to record their votes. It is quite a new thing to learn that the farmers were prevented from voting at the last election.

Mr. ROBINSON. — I know hundreds of farmers who were prevented from exercising the franchise.

Mr. SPENCE.—Hitherto the complaint has been that they were too careless to vote. Have honorable members forgotten the evidence which was taken by the Electoral Commission? Have they forgotten the statement made by various witnesses that members of the capitalistic class would not take the trouble to cross the street in order to vote, unless they were paid for so doing?

In my own electorate there is a very large number of shearers. These men are not apathetic. They would drive 50, 60, or even 100 miles to exercise the franchise. They are live men and intelligent citizens of the Commonwealth. The farmers have buggies and horses, and every facility to enable them to attend the polling-booth, and I repeat that the percentage of those whose operations would prevent them from recording their votes in November or December is very small. I was rather suspicious when I learned that the leader of the Opposition was eagerly jumping at the chance of holding the elections in October. But this afternoon, the honorable member for Echuca has given the show away. He has told us that the object of the move is to strike a blow at the Labour Party, with a view to restoring the two-party system in this House. Is not that practically a confirmation of my statement that if the elections are held in October or November a large body of men who are notoriously labour supporters will be disfranchised?

Mr. JOSEPH COOK.—Did not the honorable member for Bland say the other day that we were working for the restoration of the two-party system?

Mr. SPENCE.—I do not mind if the Labour Party sweeps the polls and becomes the dominant party in this Parliament. But what has that to do with the date of holding the next general elections? I say that no party considerations should be allowed to obtrude themselves in the discussion of a motion of this character. I never anticipated that ideas of that character would find expression in the National Legislature. Whilst we must consider the occupations of the people to the extent of seeing that the general elections are held at the time which is suitable to the majority, we should go no further. I am quite prepared to leave the fixing of the date of the elections in the hands of the Government.

Mr. JOSEPH COOK.—Which, of course, means leaving it in the hands of the Labour Party.

Mr. SPENCE.—That is merely one of those platform cries which members of the Opposition so frequently use to gull the electors. The same honorable relations exist between the Labour Party and the present Government as existed in New South Wales between that party, and the Government of which the honorable member was a Minister. I challenge him to

sav that there was anything dishonorable in the relations between those two parties.

Mr. JOSEPH COOK.—I have heard such things suggested, and promptly repudiated.

Mr. SPENCE.—The honorable member is sometimes very suspicious without good cause. I maintain that any time between July and the end of the year is an inconvenient one at which to hold the elections, because it is at that period that the industrial activities of country residents are the greatest. Of the classes that are inconvenienced under the existing arrangement, the farmers have the greatest opportunity of taking advantage of the electoral provisions for voting by post. For that reason the later in the year that the elections are held the better. I have no doubt that the Minister will procure information from various farming districts of the Commonwealth.

Mr. McLEAN.—With due regard to the honorable member's letter.

Mr. SPENCE.—The honorable member for Gippsland seems to entertain the idea that somebody else is always anxious to secure concessions for a particular class. I am sorry that I should be called upon to act as a missionary in any endeavours to enlighten him. I say that if the elections are held in October, more persons will be disfranchised than if they are held later in the year. I have not heard that any large number of farmers were prevented from voting at the last election, although I am aware that some of them were very apathetic about the exercise of the franchise. I trust that the motion will be rejected. The honorable member who brought it forward should be content with having had the matter ventilated. I quite admit that the most suitable period for all parties at which to hold the elections would be about March. Taking the Commonwealth as a whole, it will be found that a considerable number of electors will be disfranchised, no matter when the elections are held. I hope that this matter will be left entirely in the hands of the Government. Assuming that the motion be carried, what effect can it have? It seems to me that, having ventilated the matter, the honorable member for Echuca might well withdraw his proposal. He must know that the Government will select the most suitable date upon which to hold the elections. The brunt of the attack made by members of the Opposition this afternoon has been directed, not against the Ministry, but

against the Labour Party. If the Opposition wish to see only two parties in this House, why do they not join the Labour Party and wipe out the Government? We have heard of such things having been done in connexion with the States Parliaments in the past, but I hope that in the higher and purer atmosphere of Federal politics, of which we heard so much in pre-Federation days, no such suggestion will be made. Hence my protest against these references to party views. We should, I think, make ready for some change in the Constitution, fixing the election at an earlier period. I shall not go into that matter, which involves very much more than the mere alteration of the date of the election. Honorable members will agree that it would be necessary to alter the time when a senator should be assumed to have taken his seat. It would be manifestly unfair that a senator elected in March should be unable to take his seat until the following January, and that in the meantime, the State concerned should be represented by a man who might have been rejected by the electors. There are bigger questions involved than the mere date of election, but the matter is one which we must face, if we do not desire that the elections shall continue to be held at a most unsuitable time. Honorable members know that at one time we gave up nearly six months of our legitimate term of office, and it is now agreed that we were rather foolish to do so. The elections were first of all held in March, and that practice should have been continued. We took the course we did in order to save the money of the people of the Commonwealth, but we have never had any thanks for doing so. On the contrary, complaints are frequently made that our expenditure is extravagant. It would be wise, I think, for us to revert to the previous position, and the necessity for some alteration should not be lost sight of by the Government. I have suggested what I believe would be a remedy for a condition of things which is admittedly unsatisfactory, and which would enable the elections to be held at a time which would be convenient for the majority of the electors.

Mr. FRAZER (Kalgoorlie) [5.19].—I regret that advantage should have been taken of an apparently harmless motion to endeavour to make political capital for one political party. It would appear, from the speeches made by some honorable members, that they alone are the persons who take

a particular interest in the welfare of the farmer, and are the only members of the House who give any attention to his wants. I absolutely disagree that those honorable members are the only persons who look after the interests of the farmers, and I also repudiate the suggestion that in the past the farmer has not received a fair share of consideration. Looking over the figures supplied in connexion with the last Federal elections, I find that in Corangamite, the first country division on the list, a higher percentage of votes was polled than in any other electorate in Victoria.

Mr. WILKS.—Will the honorable member quote the South Australia figures?

Mr. FRAZER.—I am quoting the Victorian figures, because I regard this motion as a Victorian move in the interests of one political party.

Mr. ROBINSON.—The high percentage of votes was cast in the towns of the country electorates, but in the farming portions of those electorates, there was a very low percentage of votes polled.

Mr. FRAZER.—The constituencies which are held to be farming constituencies, and are represented by men who claim to be farmers' representatives, show a very high percentage of votes recorded. The percentage of votes recorded in Corangamite, was 60.58, the highest recorded in any Victorian division. In the country division of Corio, the percentage recorded was 57.99. In the division of Wannon, represented by that typical farmers' representative, Mr. Robinson, the percentage of votes recorded was 53.97.

Mr. ROBINSON. — And in the farming centres the votes polled did not number more than 30 per cent. of those on the roll.

Mr. FRAZER.—I shall combat the honorable and learned member's argument by quoting some of the percentages from town electorates when I have dealt with the country electorates. In the Wimmera electorate, which is almost a purely farming and pastoral division, the percentage of votes recorded was 51.11. I now come to some of the city electorates of Victoria, and I find that in Southern Melbourne the percentage of votes recorded was 53.59, or the same as the percentage recorded in the Wannon electorate. In Northern Melbourne, 48.16 per cent. of the votes on the rolls was recorded. In the Ballarat electorate, represented by the Prime Minister, and a purely city constituency, the percent-

age of votes recorded was 46.92, a lower percentage than that recorded in any of the country constituencies to which I have referred. Still honorable members claim that the farmer is the only person who does not get an opportunity to record his vote. The returns show that in the country divisions a greater number of electors go to the poll than in the city divisions.

Mr. ROBINSON.—The honorable member is mistaken.

Mr. FRAZER.—Then the figures presented by the Department of Home Affairs are wrong, and the honorable and learned member is right.

Mr. ROBINSON.—There was a high percentage of votes recorded in the towns in country electorates, but in the farming centres of those electorates not more than 30 per cent. of the electors recorded their votes.

Mr. FRAZER.—Assuming that the honorable and learned member's statement will stand investigation, I ask how it is that so many more votes were recorded in towns outside the metropolitan area than in electorates within the metropolitan area? In the Grampians division, the percentage of votes recorded was 49.67, which, judging by a rough glance at the figures, is well up to, if not beyond, the average. I have every consideration for the farmer. I believe that, in common with other people, he should be able to have his opinions voiced in this Chamber, and impressed upon the legislation that is passed; but the choice of representatives by the farming constituencies is scarcely consistent with the arguments we have heard this afternoon. We are told that the farmer clamours for certain consideration, and when he is given the opportunity he selects a city lawyer as his representative. I have not the slightest objection to that. If the farmers of Wannon prefer the present honorable and learned member for that constituency to a practical farmer, that is their look out. I notice from the *Age* that it is proposed in Flinders now to displace the present purely farming representative of that electorate by another city lawyer in the person of Mr. Irvine.

Mr. JOHNSON.—Wharf labourers do the same thing.

Mr. FRAZER.—If they select as their representative a man who is thoroughly conversant with their particular interests, I have nothing to say, but it is a marvellous thing that we should have the iniquitous conditions from which the farmer suffers

voiced by men who seldom get outside of Collins-street and the law courts of Melbourne. In the interests of a section of the community composed of men who are doing as much for the advancement of the country as are the farmers, I object to this motion. I refer to the people who go into the interior of Australia in search of mineral deposits. The low percentage of voters on the rolls who cast their votes at the last Federal elections in Western Australia is notorious. In many of the outposts of Western Australia a few people were gathered together, but, as in such places, men do not remain for any very considerable time, very many electors were disfranchised at the last elections. Instead of being able to record a vote of over 60 per cent. of the electors on the rolls, as was done in the Corangamite division of Victoria, the number of voters recording their votes at the elections in Western Australia was not more than 26 per cent. of the number on the rolls. This shows that the farmer has received twice the consideration in the matter of representation that has been received by the gold-mining section of the community.

Mr. SKENE.—Are not the gold miners moving about for the greater part of the year?

Mr. FRAZER.—A rush may take place which may attract hundreds of men to a particular district; they may remain for a few weeks, and should the find turn out to be a "duffer," they get back into the cities again for another few weeks.

Mr. SKENE.—We could not fix a time for the elections which would suit those people.

Mr. FRAZER.—I admit that it would be difficult to do so, but I object to the fixing of an arbitrary date at this time without any consideration for the people of the outposts of Australia. In my electorate, which, I may casually mention, is as big as the State of Victoria, I may inform honorable members that there is mail communication with Eucla by subsidized steamer only once every three months. The people there get their supplies under the same conditions. That is from the Western Australian side, and their means of communication from the South Australian side is no better. If we fix an arbitrary date for the elections at the present time, should a steam-boat leave for Eucla in the near future, it is just possible that there would not be another leaving for that place before the elections took place. The right

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honorable member for Swan will be able to bear me out when I say that it may take months for the Electoral Department to get into communication with places like Derby and Onslow. The fixing of a definite date for the next Federal elections, whilst it might assist a few farmers, might do serious injustice to other sections of the community. The height of summer, when the farmer is gathering his grain, is not the most convenient time at which to hold the Federal elections, but, whilst I have no desire to do anything which would be unfair to the farmer, or which might prevent him from recording his vote, I repudiate what I consider an attempt by a certain political party to make capital out of this proposal, and I desire to see consideration given to the interests of people in the more remote portions of the Commonwealth.

Mr. SKENE (Grampians) [5.15].—I shall not occupy many minutes of the time of the House, because, in my opinion, the disabilities under which the farmers labour when they have to record their votes in the last month of the year have already been well pointed out by a number of honorable members. I do not agree with the honorable member for Darling that it would make much difference to the shearers if the elections were held on the 15th instead of the end of November. The Minister, I understand, has promised that the next elections shall be held with the least possible delay, and probably before the 15th November.

Mr. GROOM.—I said that I have given instructions to keep in view a date in the middle of November.

Mr. JOSEPH COOK.—When were those instructions issued?

Mr. GROOM.—Some weeks ago.

Mr. JOSEPH COOK.—Then why were we not told of them the other day?

Mr. GROOM.—I was asked to state definitely when the elections would be held.

Mr. SKENE.—The honorable member for Bland and the honorable member for Darling both dwelt on the advisableness of holding the elections in March or April, and, although it had not occurred to me before, it seems to me now that we have ourselves to blame to a great extent for having changed the time of the holding of the elections from the earlier to the later months of the year. There has been a good deal of talk on this point this afternoon, and I hope that it will not be without a good practical result. I feel that it

would be a very simple matter, after the expression of opinion which we have had, to secure an alteration of the Constitution which would bring about what is desired. But the matter should be taken in hand at once, because such an alteration requires, not only that majorities in the two Chambers of the Legislature shall vote for it, but that it shall be before the electors for at least two months before they are called upon to express their opinion in regard to it. If the people are not asked to express their opinion on this matter at the next general elections, they cannot, unless a special referendum is taken, be asked to do so before 1909, so that it will be impossible to effect before 1912 the change which we wish to bring about. The honorable member for Darling somewhat overstated the case when he said that some shearers have more difficulties to face in going to the poll than have the farmers. It is easy to say that the farmers may vote by post, but that can be done only when electors live seven miles away from a polling-place, and, if a farmer requires all his time for the harvesting of a valuable crop, he will not go to a polling-place which is only three or four miles away. I remember that, during the last elections, I heard of, not one, but several, electors who would not take the trouble to vote, although they were within sight of a polling-place. However, as I said at the commencement, the disabilities of the farmers have been fully placed before the House, and I rose only to ask the Minister to consider seriously whether steps cannot be taken at once to provide for the alteration of the Constitution which has been suggested.

Mr. McCAY (Corinella) [5.35].—I wish to point out, in connexion with the suggestions of the honorable members for Bland and Darling, that, although there seems to be an unanimous opinion that the latter months are more unsuitable than the earlier months of the year for an election, the worst month of all is December. Our experience in 1903 showed that to be the case. It is impossible, of course, to fix a date for the holding of the elections which will inconvenience no elector; but it is our business, so far as we can, to ascertain and to fix that date which will be least inconvenient to the majority. So far as those engaged in agriculture, whether they be employers or employés, are concerned, the nearer the date of the general election to the end of the year the more marked will

be the inconvenience to which they will be put if they wish to vote, because at that time climatic conditions are often unfavorable, and there is consequent risk of great loss from the cessation of work for even a few hours. Although a certain number of electors would be inconvenienced by the holding of the elections in November, most of them are electors who could vote by post. The cases in which three weeks would be taken for electors to send and get an answer to letters are, of course, abnormal, and by the middle of November the shearing in the more northern parts of the Commonwealth has been finished, and those who have been engaged in it are back in their homes, or living again within comparatively easy reach of postal facilities. When the choice is between those who can, with nothing more than a little inconvenience, record their votes through the post-office, and those who cannot record it at all without risk of material financial loss, the latter should be considered first. To hold the elections not later than the middle of November would inconvenience fewer persons than to hold them in December, when, in some cases, electors would be altogether prevented from voting. This is an instance in which, as we cannot find a course of action altogether free from inconvenience, it is our business to choose that which is least open to criticism. The experience of 1903 shows that December is the worst month for the holding of an election, because at that time of the year many electors are prevented from voting, not by reason of their negligence, carelessness, or indifference, but because of the risk to their financial well-being in ceasing from work to go to the poll. I am very glad that the Minister has instructed his officials to have in mind the middle of November as the date for the holding of the elections. It is not merely the farmers, but their employés as well, who have to be considered. Every adult elector should, if possible, be afforded an opportunity to vote, and no elector should be prevented, by the risk of loss, from recording his vote. In view of the statement of the Minister, I cannot understand why the Government will not accept the motion, because all it declares is that, in the opinion of the House, the general elections should be held not later than the 15th November, and, if possible, earlier. Of course, if it is impossible to hold them earlier, it is useless to discuss the matter. After what the Minister has

said, I see no reason why the arrangements for the holding of the elections should not be completed by the date mentioned. The motion is couched in language to which no exception can be taken on the ground that it is an attack upon or a challenge to the Government, and as both the Ministry and the Labour Party have expressed concurrence with the proposal that the elections should, if possible, be held at the date fixed, I shall not hesitate to vote for the motion if it is pressed to a division.

Mr. JOHNSON^a (Lang) [5.42].—I was astonished to hear the honorable member for Darling assert that there was no considerable disfranchisement of farmers at the last general elections. If he had studied the returns of the voting, he would know that that statement was far from correct. The percentages given by the honorable member for Kalgoorlie, in order to reinforce the argument of the honorable member for Darling, although, no doubt, put forward in perfectly good faith, cannot be accepted as a reliable criterion. No percentages have been given of the votes cast at the different polling booths, the percentages applying only to the voting in the divisions, and it must be remembered that in many of the farming districts there are towns where the great bulk of the votes were recorded.

Mr. FRAZER.—Is it to be presumed that the electors in the country towns voted in greater numbers proportionately than did the electors of the large centres?

Mr. JOHNSON.—Not necessarily, but, given equal conditions, there is a strong probability that that happened. The honorable member for Darling sought to show that the farmers were not deprived of the opportunity to vote, and that they were too apathetic to go to the polls. No doubt the charge of apathy as applied to some farmers is to some extent, perhaps to a large extent, true, just as it is true as applied to many other electors, but we know that there were other reasons why such an enormous number of those who were on the rolls failed at the last general elections to exercise the franchise. It is, I think, the duty of those responsible for our electoral administration to see that every facility for voting is given to electors, irrespective of their occupations. It is hardly fair to charge the farmers with apathy, when we fix a date upon which it is practically impossible for them to leave their homesteads. A farmer may, by

going to the poll a long distance away, in harvesting time, risk the loss of his crop, and, however strong his political views may be, he cannot afford to take that chance. I do not think that there is a tittle of evidence to support the view put forward by the honorable member for Darling that the motion has been brought forward with a view of disfranchising another section of voters. I have not heard the slightest suggestion of any such desire on the part of members of the Opposition, nor do I believe that such an idea was ever entertained. I can honestly say for myself that my sole object is to enable as many electors as possible to record their votes, and that I am not swayed in any way by the political views they hold. I desire to remove the slur which now rests upon the electors of being so apathetic that they will not take the trouble to record their votes. At present we are placing obstacles in the way of a large section of the electors, and are then charging them with indifference. No such charge can be fully sustained until we have afforded the electors the fullest facilities, and have fixed a date upon which they can vote without serious inconvenience or risk of loss. I was gratified to learn of the measures which are being taken by the Minister and his officers to expedite the work of the Electoral Department, with a view to holding the elections as early as possible. All that the Minister said as to the completeness of the organization of the Department furnished an argument in favour of the motion. I hope that the arrangements will be pushed forward so that the elections may be held, if not prior to the date mentioned in the motion, before the harvest is at its height. The honorable members for Kalgoorlie and Darling charged members of the Opposition with seeking to have the elections held at an earlier date than usual, with a view to placing the Labour Party at a disadvantage. I think they made it very clear that their own desire to have the elections postponed until a later date was due to their impression that the purposes of their own party would be better served at the expense of the farming community.

Mr. HENRY WILLIS (Robertson) [5.52].—The discussion that has taken place indicates that the honorable member for Echuca was fully warranted in bringing forward his motion. It appears to be generally desired that the elections shall take place as soon as possible. A most

unworthy charge has been levelled at members of the Opposition by the honorable member for Darling, who has stated that it is desired to fix the elections at an earlier date than usual, so that a large number of shearers may be prevented from voting. The honorable member prefaced his remarks by stating that the shearers always voted for Labour candidates. I am not prepared to admit the truth of that statement, because a large proportion of the shearers are small farmers, who vote for democrats belonging to the party of which I am a member. The honorable member for Echuca made it clear that he desires that the elections should be held at a time when every elector would be in a position to record his vote. The honorable member referred to the large percentage of men and women who fail to record their votes, and I think that if we continue to hold our elections at an inconvenient time of the year, it will be impossible to poll a satisfactory percentage of votes. The Minister promised that he would do his utmost to arrange for the holding of the election at the earliest possible date, and according to his statement, it should not be held later than the 15th November. The honorable member for Melbourne Ports apparently moved his amendment at the instance of the Government.

Mr. MAUGER.—The amendment will be carried.

Mr. HENRY WILLIS.—That is not the question. All that is desired is that full expression shall be given to the undoubted opinion of honorable members that the elections shall be held at the earliest possible moment. The honorable member for Hume tried to whip the Labour Party into order by suggesting that this was a no-confidence motion. The Labour Party responded by coming to his assistance, and the honorable member for Melbourne Ports has also stepped into the breach. Notwithstanding all that has been said, it is clear that the election must be held at the earliest practicable date. No reference has been made to the difficult position in which many of our farmers are placed during harvest time. In the western parts of New South Wales and in South Australia there is constant dread on the part of the farmers that their ripening crops will be swept away by bush fires. It is quite a common thing, upon visiting a township, during the month of December, to find that all the men are absent fire-fighting. The farmers are

afraid to leave their holdings when there is so much at stake, and I think it is incumbent on our part to make more convenient arrangements than those which have been previously carried out. If it were practicable to allow the election to stand over until 31st December, I should feel it my duty to support such a proposal. Honorable members are elected for three years, and that period is short enough, especially if an honorable member has to travel through an electorate with an area of 20,000 square miles in order to address his constituents. I trust that if the Constitution is altered, the period will be extended to five years. I have no desire to cross swords with honorable members of the Labour Party, because I think that they must desire that as many electors as possible shall go to the poll. If they do not represent the people they cannot wish to occupy the seats that should be filled by members of the party to which I belong. We know that only a small percentage of the electors in New South Wales, and in fact throughout Australia, now support the Labour Party as a party. A number of influences operate to bring about the return of honorable members to this House. For instance, I have no doubt that the honorable member for Grey would be elected, no matter how he described himself. I think that the honorable member for Echuca was fully warranted in bringing forward his motion, and I hope that, after having secured a full and satisfactory discussion, he will withdraw it.

Mr. McDONALD (Kennedy) [5.58].—I can hardly understand why such a small percentage of votes is recorded in the Victorian electorates. I represent a division which has an area three times as large as that of the State of Victoria. Some of my constituents have to travel 50, 60, and even 100 miles to a polling place, and yet 57 per cent. of those on the roll recorded their votes at the last election. It is quite inexplicable to me that a larger percentage of votes is not recorded in divisions where the electors are, except in rare instances, within half-an-hour's walk of a polling place. I do not think that the poor results are entirely due to the fact that the elections are held at an inconvenient time, because the smallest percentage of votes has been recorded, not in the country districts, but in the towns. It has been suggested by the honorable member for Bland, and several other speakers, that the early part of the year—about March, for example—would be a most

suitable period at which to hold the general elections. I most strenuously object to any such arrangement, but I have nothing to urge against the polling-day being fixed for some time in May. I need scarcely point out that in Queensland the wet season extends from January to March, and during those months it is almost impossible for one to get over the country at all. In the north-west and portions of the south-west of Queensland, at that particular time of the year, I have seen the water stretching across the country for thirty or forty miles. The rivers are flooded in all directions. Under such circumstances, the great bulk of the voters would be disfranchised if the elections were held at that particular period. As a matter of fact, whilst I was engaged in electioneering, I had an experience of being kept four days in one place, without being able to obtain anything to eat. At the first general election for this Parliament, my opponent, in following me round my constituency, got stuck up between two rivers, and was unable to get back to the big centres of population before polling day. I understand that he delivered his final address to the coachman who was driving him, on the banks of the Flinders River. In my opinion, either April or May would be the most suitable period of the year at which to hold the elections.

Mr. HUTCHISON (Hindmarsh) [6.4].—A good deal of talk has already been indulged in upon this motion. So far as South Australia is concerned, I do not think that it makes any difference to the voters when the elections are held. The honorable member for Dalley has asked a question in reference to the percentage of votes polled in that State at the last general election. I admit that, so far as the elections for the Senate were concerned, the percentage of votes recorded was bad, for the simple reason that most of the South Australian representatives were returned unopposed, as I believe they will be in future. But I would point out that at the elections for the State Parliament, despite the fact that some of the constituencies are very compact, we have never secured a better average than 50 per cent., and I find that in several constituencies at the last elections in Victoria more than 50 per cent. of the electors recorded their votes. In the divisions of Corangamite and Wannon, the percentage was very high indeed. Whatever date may be fixed for the holding of the elec-

tions will not make very much difference to South Australia. At the same time, if by altering that date we can induce more electors to record their votes, I am thoroughly in sympathy with the alteration. The honorable member for Kennedy has suggested that if any change be made, the elections should be held in May. What does that mean? It means that if in Queensland, March is too wet to permit of the elections taking place then, May is certainly too wet in South Australia. In the latter State, many voters have to travel long distances to exercise the franchise. In the electorate of Grey, for example, many voters have to travel twenty or thirty miles to the polling booth. If the elections were held in wet weather, these persons would be disfranchised. However, there seems to be a consensus of opinion that it is inadvisable to hold the elections in December, and I am quite prepared to fall in with the wish of the majority that they shall take place in November. I am quite prepared to give the people every opportunity to record their votes. Indeed, I should like to see every elector exercising the franchise. This desirable result can be brought about. I am sorry that the right honorable member for Adelaide is not now able to take the active part in our legislation that he did in State politics, or I am sure he would have moved in this direction. The way to bring about the desired result is to impose a small penalty on those who will not take the trouble to record their votes. I hope that the time is close at hand when we shall take some step of that character. I have no fear of ever being asked to represent a minority, but I should not like to do so, and I am confident that no other honorable member would. If the matter were taken in hand by the Government, we could soon insure that no honorable member would be returned by a minority vote.

Mr. BROWN (Canobolas) [6.12].—Like the last speaker, I desire to see a date fixed for the holding of the general elections which will meet the convenience of a large majority of the voters. The debate which has taken place this afternoon demonstrates that whatever date is fixed some inconvenience will be experienced. But we have to regard this matter, not from the stand-point of a State, but from that of the Commonwealth. There is a good deal in the contention of the honorable member

for Bland that from the present time till the end of the year is a very unsuitable period for the conduct of a general election. In the first instance, we should inconvenience those who are engaged in the sugar-producing industry; in the next, we should affect those who follow the avocation of shearers, and finally, we should interfere with those who will be taking part in harvesting operations, towards the end of the year. I think that Parliament would be well advised if it made some alteration in the direction indicated by the honorable member for Bland, and determined that in future the general elections should take place at the beginning of the year. So far as New South Wales is concerned, I think that March or April would be a very suitable period at which to appeal to the country. There would be difficulties in giving effect to his suggestion, but these would not be nearly so insurmountable as are those which are experienced at the present time. Undoubtedly the last elections were delayed till the very worst period of the year, so far as the farming interests were concerned. In my own electorate the fact that there was not a contest for a seat in this House helped to minimize the vote which was cast on that occasion. The farmers were in the very midst of their harvesting operations, and the period was one at which the greatest amount of damage could be done to the crops by windstorms. About a day or two prior to the polling-day a severe windstorm passed over a portion of my own constituency, with the result that the standing crops were practically threshed out. The storm did not cover an extensive area, but the country which it affected was severely injured in the matter of its wheat return. This alarmed the farmers in the district who were not touched by the disturbance. They worked all hours in order to get their crops harvested. The result was that a large number of them did not trouble to record their votes, notwithstanding that some of them were working within sight of the polling booth. Upon the other hand, it has been suggested by farmers' representatives in Victoria, supported by the leader of the Opposition, that the general elections should be held in October. So far as New South Wales is concerned, difficulties would be experienced in October, only in another direction. In December the farming community is, to a large extent, disfranchised, but in October the shearers

Mr. Brown.

and those engaged in the pastoral industry would share the same. Early in October shearing operations are in full swing, and towards the end of the month the grass seeds begin to ripen, so that one day's seeding may mean a heavy loss in a man's wool returns. Consequently it is the great desire of the pastoralist to get his wool off the sheep within that period. What we should do is a mean between the period of completion of the shearing and the time of the harvesting—between, say, 15th November and the first week of December. After the first week in December the difficulties in connexion with harvesting are accentuated every day till the end of the year. It has been suggested that the Labour Party desire the election to be held as late in the year as possible because they fear the farmer's vote. Personally I do not fear that vote. I am a farmer myself, and I have done something to make the farming movement in New South Wales a substantial success. I do not think that the party to which I belong has any cause to fear the farmer's vote. I hold that the elections should be held at a period of the year when the largest number of voters will be able to exercise the franchise, and consequently I urge the Government to fix a date before the 15th November and the first week of December. Otherwise the difficulties experienced at the last election will be repeated.

Mr. BATCHELOR (Boothby) [6.]. I do not think that any attempt to fix any party the responsibility for the holding of the forthcoming elections at the end of the year will succeed. A serious attempt was made in the last Parliament. Owing to the provisions of the Constitution, and notwithstanding that honorable members sacrificed three or four months of their full tenure of office, an attempt was made in some of the attempts to thrust the responsibility for holding elections at the wrong time of the year upon the Labour Party. But honorable members are aware that they had nothing to do with it than had the members of the Opposition. No party, and no Government in this Parliament, has had anything to do with it, because, as a matter of course, the difficulty could not, under the terms of the Constitution, have been avoided. Any attempt to fix the responsibility upon any particular party on this occasion must

for the same reason. I am sure that every member of the House desires that as full a vote of the electors as possible shall be recorded. The only question is which is the best time of the year to secure it. If an attempt were made to alter the Constitution so that the Federal elections could be held in March, I think that it would be successful, and I have no doubt it would be a desirable course. I intend to vote for the motion, and I have been somewhat surprised that any honorable member should oppose it. I quite expected that the Government would accept it. Its terms are not mandatory. It would be absurd to fix a definite date, and say that the elections shall be held before that date, because circumstances might arise which would render that impossible. But the carrying of this motion would be merely an expression of opinion by the House that the next elections should be held not later than the 15th November. I believe that the members of the Government and of the Opposition, of the Country Party, and of the Labour Party, are alike anxious that, if possible, the next elections should be held not later than that date. That is not by any means an ideal time of the year for the purpose, but, in the circumstances, it seems about the best we can do. So far as South Australia is concerned, any time from October up to January would be about equally inconvenient for the farmers. From the beginning of November to the end of December would be the most inconvenient time for the fruit-growers. So that the latter end of the year is inconvenient for horticulturists as well as for agriculturists, as the harvesting of the fruit crops, as well as of the grain crops, takes place at that time. I suggest to Ministers that they should accept the motion. Personally, I can see no possible objection to it. The main consideration is that we should endeavour to secure an alteration of the Constitution, so that such a state of things should not happen again.

Mr. KING O'MALLEY (Darwin) [6.20].—I hope that the Government will not accept this motion. To me, it looks too much like Victoria dictating to the rest of the Commonwealth. It is all nonsense to talk about the difficulty of getting a vote in country districts. I ask the Victorian representatives to look at the vote which the farmers of Darwin put up. If it is found that people will not vote in

Victorian constituencies, it is because they have lost confidence in their representatives. It is a proof that the electors say "We have had these men long enough; it is time to dispense with them, and it is not worth while to go to the polls to vote for them."

Mr. McDONALD.—What percentage of votes was recorded in Darwin?

Mr. KING O'MALLEY.—An immense percentage. If the votes recorded in Darwin be not considered, it will be found that there was not a vote of 25 per cent. recorded in the rest of the State of Tasmania. Although the Darwin electorate was the smallest in point of population, I am the senior member of the State of Tasmania.

Mr. McCOLL.—What was the honorable member's majority?

Mr. KING O'MALLEY.—It does not matter what my majority was—I got there. This only shows that if the electors find that proper candidates are seeking election, they will be out to vote. If the representatives of Victorian constituencies who come here complaining, hooting, howling, and screeching like wood-chucks in a bush, went out and talked intellectually to the people, they would interest them as we do in Tasmania, and there would be no necessity for them to come howling, screeching, and hooting here in an endeavour to make the whole of the Commonwealth submit to the dictation of Victoria.

Mr. McDONALD. — The percentage of votes recorded at the Darwin election was 58.

Mr. KING O'MALLEY. — That is so; and some of the farmers in that electorate had to travel 20 miles to vote. Here in Victoria, where you could almost expectorate over any of the electorates, the electors will not turn out to vote because they have no confidence in the candidates. My electorate in Tasmania is a long electorate, and I have to travel in it over 100 miles. An honorable member whose electorate has been annihilated may wish to run against another. That is his own business; but as senior member for the State of Tasmania I shall not submit to Victoria dictating to the whole population of the Commonwealth.

Mr. MAUGER.—It is only an election cry.

Mr. KING O'MALLEY.—It is. It is purely a Tammany Hall dodge by a Victorian dodger.

Mr. WILSON.—The honorable member's leader supports the motion.

Mr. KING O'MALLEY.—I have nothing to do with my leader on this question, which is a non-party question. My leader is my leader when I am told he is by the action of the whole of the people.

Mr. McCAY.—By the caucus.

Mr. KING O'MALLEY.—Yes, by the caucus. We very often hear honorable members talking about the caucus.

Mr. SPEAKER.—Is the honorable member discussing the question?

Mr. KING O'MALLEY.—I agree that this is a diversion, but the discussion has been upon everything but the question before the House. The electors of Franklin did not put up a very big vote, because there was no excitement on. There was no excitement in the electorate of Wilmot, and the electors there did not put up a big vote, though I wrote a letter which put the present member in. There was no excitement in the electorate of Bass, and therefore a big vote was not put up there. There was excitement in the electorate of Denison, because the present honorable member for Wilmot went down to fight the honorable member for Denison, and if I had not gone to Hobart after him he would have defeated the honorable member who now occupies that seat.

Mr. SPEAKER.—The honorable member is not discussing the question.

Mr. KING O'MALLEY.—I quite agree. Why should we force the Ministry, who desire as much as does any member of the House to have the elections right away, because they are sure of a majority? Honorable members of the Opposition, who are forcing on this motion, are the last people who desire to face the electors, and to go before the high tribunal of public opinion. The honorable member for Boothby, who approves of the motion, represents a city constituency, and can see the whole of his electors by looking out of the door of his house. Then the honorable member for Hindmarsh finds the whole of his electors within a stone's throw of his residence. Here in Victoria the honorable member for Wannon put up a big vote, as did the honorable member for Corangamite.

Mr. JOSEPH COOK. — Is the honorable member going to talk the motion out?

Mr. KING O'MALLEY.—Certainly. But I propose to exercise my right in their proper place the honorable member who have jumped into the arena with the courage of a prize-fighter who is afraid before he gets into the ring.

Mr. SPEAKER.—The honorable member must discuss the motion.

Mr. KING O'MALLEY. — December may be the harvest month in Victoria, but it is not the month in which the harvest is gathered in Tasmania.

Sitting suspended from 6.30 to 7.0.

PERSONAL EXPLANATIONS

Mr. CULPIN (Brisbane) [7.31].—I wish to make a personal explanation in relation to the following paragraph, which appeared in this morning's Age:—

BRISBANE, Wednesday.

A telegram was received from Mr. M.P., stating, with reference to the reciprocal tariff between the Commonwealth of New Zealand, that the Prime Minister had estimated that some concession would be made to Queensland rum as to all other Australian spirits.

I sent a telegram to a firm in Brisbane who had written to me inquiring about the matter, but my statement to them was that the Prime Minister had said that if any concessions were made it would apply equally to all Australian spirits.

Mr. MCCOLL (Echuca) [7.32].—I wish to make a personal explanation. The Minister of Home Affairs was in the Chamber stating this afternoon that I had said that the Government are under the domination of the Labour Party. My opinion is that the conduct of certain Ministers is not to the credit of the Government, but I have no quarrel with the Government, and made no such remark as that attributed to me. What I said was that possibly the honorable member, in view of the circumstances existing in his constituency, may be under the domination of the Labour Party, but I did not say that the Government are under the domination of the Labour Party. I have not said a word about the Government, either inside or outside of the House, and I am continually endeavoring, as I go through the country, to remove what I consider to be aspersions on the character of the Prime Minister. I am an independent member, desirous of seeing the Government to push through legislation which I consider to be good legislation.

SUPPLY BILL (No. 1).

MENTS BY MINISTERS: SWEATING
 POSTAL OFFICIALS: FEDERAL
 CAPITAL SITE: VICE-PRESIDENT OF
 EXECUTIVE COUNCIL: COMMON-
 HEALTH POSTAGE STAMP ISSUE: COM-
 MONWEALTH MAIL CONTRACT: PEN-
 INS, DEFENCE DEPARTMENT: MILI-
 TARY DISPLAY IN SYDNEY: DEFENCE
 ADMINISTRATION: MILITARY BOARD:
 TELEPHONE SERVICES: INSPECTOR-
 GENERAL: INCREMENTS OF POSTAL
 OFFICIALS: COMPULSORY GRADING OF
 OFFICERS: POSTAL OFFICIALS, WESTERN
 AUSTRALIA: TREASURER'S VISIT TO
 ENGLAND: COMMERCE ACT REGULA-
 TIONS: LABOUR PARTY AND THE
 PRIME MINISTER: PAPUA CONSTITU-
 TION: HIGH COURT BENCH.

SPEAKER reported the receipt of
 a message from His Excellency the Govern-
 or-General, recommending that an appro-
 priation be made from the Consolidated
 Fund for the purposes of this Bill.

Committee of Supply:

JOHN FORREST (Swan—Trea-
 surer).—[34].—I move—

That a sum not exceeding £450,064 be granted
 to His Majesty for or towards defraying the ser-
 vices of the year ending 30th June, 1907.

Honorable members are aware that it is
 necessary for the Government to ask for
 this at this particular juncture; but we
 do not meet the views of those in another
 and I cannot conceive that any one
 has any great objection to doing now
 what will have to be done in a fortnight's

JOHNSON.—Urgent public business
 must be set aside to give the members of
 the Chamber a holiday.

JOHN FORREST.—We are asking
 to supply now to meet the wishes of the
 members of another place.

JOSEPH COOK.—Is only one month's
 asked for?

JOHN FORREST.—Yes. It may,
 perhaps, be truly said that we do not
 supply until the beginning of next
 year, but there seems to be no good reason
 why we should not meet the wishes of
 the members in this matter.

JOSEPH COOK.—When is the right
 honorable gentleman likely to make his
 speech?

JOHN FORREST.—I wish to make
 it as soon as possible; but it is difficult to
 make much progress before the financial

year has ended; and while the Estimates
 may be ready within a fortnight or three
 weeks after the commencement of the new
 year, the Treasury officials will require at
 least another ten days in order to have the
 Budget papers prepared and printed in
 readiness for presentation with the Esti-
 mates to honorable members. I hope to be
 able to present the Estimates about the end
 of July or early in August, though I cannot
 give the exact date when I shall be able
 to do so. There are very few items in
 the Bill which I am about to introduce
 to which I need draw attention. Of
 these the first is an amount of
 £30,000, which is being asked for to
 cover the loss on the working of the Pacific
 cable. The exact sum required is not
 known, but, as the money must be paid in
 London, we wish to have it voted at the
 earliest moment possible, in order to make
 the best arrangements possible for exchange.
 £30,000 is also asked for as an instal-
 ment of the subsidy payable to the Orient
 Royal Mail Company on the 30th October
 next for the conveyance of mails between
 England and Australia. That money has
 to be remitted to London, and the longer
 the time we have in which to make
 arrangements the better the terms we can
 make for exchange. Then £6,660 is re-
 quired to pay for the conveyance of Mem-
 bers of Parliament, and £12,000 is re-
 quired for refunds to the Pacific and
 Eastern Extension Telegraph companies in
 connexion with the cable services.

Mr. JOSEPH COOK.—Is there any item
 relating to the expense of the right honor-
 able gentleman's trip to London?

Sir JOHN FORREST.—No. That trip
 did not entail any extraordinary expense on
 the Commonwealth. The sum of £80,000
 is asked for as an advance to the Treasurer
 to enable him to pay wages, and other in-
 cidental expenses, and also payments in
 connexion with works authorized by Parlia-
 ment last year, and now in progress. If
 there is any other item in regard to
 which honorable members desire informa-
 tion, I shall be only too glad to give it; but
 I can assure the Committee that the Bill
 provides only for expenditure similar to
 that which was approved of by Parlia-
 ment last session.

Mr. FULLER (Illawarra) [7.43].—It
 may be that the Bill contains no item of an
 objectionable character, but it appears to
 me that the procedure which we are now
 asked to sanction is a very strange way of

transacting the business of the country. Ministers had a long recess in which to prepare Bills for submission to the two Houses, and the Governor-General's speech announced that an immense number of measures were ready to be dealt with. Yet we find the Senate now without business to go on with, and are asked to pass a Supply Bill to enable senators to get back to their homes, and take a holiday.

Mr. DEAKIN.—Is this the honorable and learned member's Address-in-Reply speech?

Mr. FULLER.—I am replying to the speech of the Treasurer. Having come to Melbourne to do business, and not to talk, I was very glad when the debate on that motion concluded. I shall, however, take advantage of this opportunity, seeing that the regulations under the Commerce Act are to be gazetted within a few days, to draw attention to the manner in which a very large and important industry will be affected thereby. When that Bill was before the House the Minister of Trade and Customs made certain statements from time to time which indicated that he had no intention of introducing a system of grading in connexion with butter. For the information of honorable members, I should like to quote one or two passages from the speech of the Minister to show that those interested in the dairying industry were quite justified in forming the impression that no Federal compulsory grading would be introduced. At page 631 of *Hansard*, vol. xxv., the Minister stated—

The object is to compel persons who are exporting goods to bring their products up to a prescribed standard.

The honorable and learned member for Parkes interjected that, in order to carry out such a system a whole army of inspectors would be required. There is no doubt that if a system such as is indicated by the regulations published in the press a short time ago is to be carried out, it will be necessary to employ an army of inspectors, not only in Sydney and Melbourne, but also at Byron Bay and other butter-exporting centres. The Minister said, further—

The exportation of articles which are properly described will not be interfered with, unless they are unfit for human consumption.

On Friday last I asked the Minister of Trade and Customs whether he had any information to the effect that the butter produced at any of the factories in New South Wales was unfit for human consumption,

and what justification he had for proposing to bring into operation a system of butter grading. The Minister knows that not one butter factory in New South Wales is turning out an article unfit for consumption. On the contrary, he is fully aware that the product of the New South Wales factories is fit to occupy the highest place in the markets of the world. If Government supervision were to be exercised only in regard to products unfit for human consumption, no exception could be taken to the attitude of the Minister. The Minister further remarked in the course of the speech to which I have referred—

Honorable members opposite may call it what they like. They have been trying to make out that the object of this Bill is to apply to goods such terms as grade No. 1, grade No. 2, grade No. 3, grade No. 4, and so on. They know perfectly well that there is no intention to do anything of the kind at present.

These statements naturally led those interested in the dairying industry to believe that the Minister had no intention of bringing into operation a system of grading as applied to butter. The Minister stated, further, in the course of his second-reading speech—

It is absolutely necessary to prevent the practice of adulterating food for consumption by children and adults.

No one could disagree with any regulations that were brought into operation with a view to preventing the adulteration of food, either for home consumption, or for export. It is important that our own people, and particularly our children, should have pure food, and it would be a serious matter for our producing industries if adulterated goods were to find their way into the markets of the world under such conditions as would injure our reputation. The Minister went on to say—

In regard to exports, we desire to obtain some control over goods of short weight and impure foods, which are probably sent away to other countries. Honorable members, no doubt, are familiar with the statements made before the Royal Commission, which is at present investigating the condition of the supplies which were forwarded to the troops in South Africa during the recent war. It is necessary that we should be able to check anything of that kind.

No one could cavil at such a statement, but the supervision indicated by the Minister in that case would be entirely different from that contemplated in connexion with the butter industry. Apparently it is proposed to appoint Government officials to exercise supervision over the butter factories, at which butter is being produced

under the strictest supervision, and under the management of the best men obtainable. The Minister called a Conference in Sydney, to which he invited representatives of the dairying, fruit, and meat industries of New South Wales, Victoria, Queensland, South Australia, and Tasmania. The Minister made a very lengthy speech in opening the Conference, and explained that his object in calling the delegates together was to seek their assistance in arriving at means by which he could administer the Commerce Act with as little friction as possible. He could have had no more laudable object than he then indicated. He also pointed out that if butter were graded, and marked under regulations as first class, a guarantee would be afforded to buyers which they could accept with full confidence. I need only refer to the evidence which was given before the Victorian Butter Commission to show that, so far as butter is concerned, the Victorian Government brand affords no guarantee as to the quality of the product. Mr. Sinclair, the Victorian Government expert, told the Commission that, so far, the Victorian Government brand had proved absolutely useless in the London market. Most honorable members who represent constituencies in which dairying is carried on, have received similar information from gentlemen who have visited the old country. The buyers in the London market have their own experts, and pay for the butter according to their judgment as to its quality. It is only natural that this should be so. It is well known that after transit from the Commonwealth to London, which extends over a period of seven or eight weeks, butter branded as second class frequently brings a higher price than that marked first class. This is due to chemical changes which take place during the voyage. The Minister also referred to the fact that butter branded as first class in one State would probably not be equal in quality to butter branded as first class in another State. Take Queensland and Victoria—two States in which the climatic conditions are very different. The quotations in London indicate plainly that the Queensland butter is not entitled to be placed in the same class as the Victorian product. This difference in quality between the products of the various States will lead to great difficulties in the application of any uniform system of grading. It would be unjust to Queensland to pre-

judice her products by marking them as inferior to those of New South Wales.

Mr. WILKS.—Does the honorable and learned member think that grading can be enforced?

Mr. FULLER.—I am not able to express any opinion upon that matter. Perhaps the Minister of Trade and Customs will be able to inform us upon the point. The Minister further stated that he failed to understand the arguments of those who were opposed to the grading of butter. He quoted largely from a report upon the New Zealand dairying industry, and also from a report of a Conference which was held at the Hawkesbury Agricultural College. He also read a letter that he had received from the Albury Co-operative Butter Company. That company does not occupy a very prominent position in connexion with the butter industry in New South Wales, and one of the delegates at the Conference interjected that the Albury factory did not turn out more than one ton of butter per week. Yet the Minister quoted a letter from that company as representing the views of a large body of farmers, in favour of grading. The whole of the great co-operative butter companies of New South Wales are entirely against a system of compulsory grading. After several questions had been asked by delegates, the Minister said—

It was necessary to have certain brands to separate the first from the second quality, and the suggestion of one of the delegates, he thought, was a good one; that was, to recognise the 1 and A1 qualities. Thus, Queensland butter would be classed as 1, and Victorian best, recognised to be of superior quality, would be branded A1. These, however, were only suggestions.

But the point I wish to make is that these suggestions constituted a distinct departure from the statement which was made by the Minister upon the floor of this House. When the honorable gentleman left the Conference, an attempt was made by the representatives of the Co-operative Company of New South Wales, to discuss the question of grading, but the acting chairman, Mr. Campbell, at once said, "Oh, this grading business is as dead as a door nail, and cannot be debated."

Mr. JOSEPH COOK.—That is what the Minister said, too.

Mr. FULLER.—I am not aware that the Minister made that statement, but certainly the acting chairman of the

Conference did. Thus the delegates were absolutely debarred from discussing this most important question, in connexion with the industry.

Sir WILLIAM LYNE.—That is not a fact. What the delegates desired to do was to discuss the whole of the Commerce Act, and to upset it if they could.

Mr. FULLER.—I know perfectly well that they had no intention of that sort. They merely desired to protest against the compulsory grading of the product in which they are so vitally interested. They were denied an opportunity of doing so. What was the result? The representatives of the butter industry withdrew from the Conference. The next day they forwarded their protest, a copy of which is before me. These gentlemen are the chief representatives of the butter industry in New South Wales. With them was Mr. Sinclair, the representative of the Queensland Butter Manufacturing Association. These gentlemen forwarded the following protest:—

That, in common with the delegates of the meat industry, we, the undersigned representatives of the dairying industry, respectfully decline to enter into the conference convened for the purpose of suggesting regulations under the Federal Commerce Act, and hereunder give some reasons for so doing:—

1. Because the insistence of Sir William Lyne to enforce compulsory grading of butter by regulation under the Commerce Act is opposed to all the first principles of commerce, and inimical to and an undue interference with the best interests of the producer.

We consider the prejudging of a perishable commodity like butter (which is continually undergoing chemical changes) eight weeks before it is marketed in London is misleading and valueless to producers and consumers.

This assertion is based upon our practical experience of the commodity, and upon the fact that the commercial representatives of the several co-operative distributing organizations in Victoria and New South Wales (sent during the last two seasons to supervise sales, and report on the handling of our products in Great Britain), are unanimous in their opinion that the "grade" stamping on packages by the Government officials of New Zealand, Victoria, and Queensland, is useless and farcical in its results, and that the great majority of retailers absolutely ignore it, when purchasing, owing to its unavoidable irregularity and inconsistency. This view was also publicly indorsed during a visit to London of a director of the largest factory in Australasia.

With the object of popularizing compulsory grading, the practice is to include under "first grade" a heavy percentage of factories.

That is exactly what has taken place in New Zealand, where it has been shown time after time that large quantities of this

article are passed as being of the grade, when they are not entitled to the grade. The protest continues—

This, instead of raising the standard of the industry, has a strong levelling down tendency.

2. That the argument used by Sir William Lyne and others "that under grade stamping forward purchases are effected in New South Wales for the whole season's output by London exporters" is useless to the producers on the ground for the reason that climatic conditions, &c., are not analogous, and for the still more important consideration that purchasing is done on a constantly changing market basis on a gambling, and not commerce.

In passing, I may say that the two co-operative companies in New South Wales have taken the products of the farmers out of the hands of speculative buyers, and allowing the profits upon them to find their way into the pockets of the producers. The document continues—

On the contrary, we consider that it should be the mission of all those who seek to legislate to assist producers to establish more direct communication with the consumers of Great Britain, over the heads of these large speculative firms whose interests and intermediary profits are naturally detrimental to the best interests of the producers.

The great bulk of the wool produced in the Commonwealth passes direct to the manufacturers, and the butter producers could have by co-operative organization, and the same result.

Our people are following in the footsteps of the people of Denmark, where the system has produced abnormal development. The delegates proceed—

We consider too much theoretical importance is given to the mere branding of packages.

The Minister desires that these regulations shall be placed upon the various packages in order that consumers in other parts of the world may be afforded some guarantee of their quality. But the men who have built up this business in New South Wales without any Government interference in the absence of any protective duties desire to be left alone. They do not wish to be hampered in their efforts to develop the industry. Ever since its inception the aim of this Parliament has been to interfere with the men who are settled upon the land. In the course of a few days a series of regulations will, no doubt, be issued, which will have a disastrous effect upon the handling of these products. I hold in my hand the opinion of Mr. Sinclair, the Queensland delegate, who is one of those who indignantly with-

from the Conference, on account of the action of the Minister. He says—

As the representative of the Butter Manufacturers Association in Queensland, I desire to endorse the above—

that is, the protest which I have just read—and give additional reasons why the Federal Government should not thus interfere with State rights, and the trade liberties of producers.

His individual protest was as follows:—

Without wishing to be discourteous, I, on behalf of the Butter Manufacturers Association of Queensland, beg to withdraw from the conference. My primary reason for doing so is that I had a misapprehension concerning the objects for which we were called together. Sir William Lyne assured the public, on the second reading of the Commerce Bill, that it was not a grading Act, but a Trades Description Act.

The Vice-President of the Executive Council made the same statement. Mr. Sinclair continues—

He now states definitely that he intends to administer it as a grading Act, even to the extent of indicating on the packages the "grade quality," that it will apply principally to dairy produce, and that not only will the produce be graded, but the States as well.

I invite the attention of the Queensland representatives to this fact. Under the Commerce Act, the farmers of Darling Downs will not have their butter graded by Federal officials, but the Queensland butter will be graded second-class to that of Victoria. That is a point which the Minister of Home Affairs might well consider. The letter proceeds:

I feel confident that the Queensland producers will regard this as a serious interference with State rights, and also with the liberties of the producers themselves. I therefore protest against the proceedings by declining to assist in framing regulations under the Act, which appears to me to be *ultra vires*.

I sent a protest to the Minister in connexion with this matter on behalf of the whole of the factories in the Illawarra and Shoalhaven districts. I have since observed that the Jelligong factory in the Illawarra district passed a resolution in favour of grading.

Mr. EWING.—The honorable and learned member is referring to regulations for grading?

Mr. FULLER.—Yes.

Mr. EWING.—There are not any yet.

Mr. FULLER.—I understand that the Minister of Trade and Customs proposes to issue them in a few days, and I wish the honorable gentleman, before doing so, to give the people interested in the industry, who have not been consulted in any

way, an opportunity to express their opinions on the matter. It is only fair that they should be consulted, and that I and other representatives of dairying districts should put their position before the House and the country. As the Vice-President of the Executive Council has made this little interruption, I should like to draw his attention to the fact that a large meeting to consider the matter was held in Lismore, which is in the constituency so well and honorably represented by himself. At that meeting there were present representatives from Alstonville, Ballina, Kyogle, Brooklet, Coraki, Lismore, Tweed, the North Coast Co-operative Butter Companies, and Foley Bros. The Vice-President of the Executive Council will agree that the meeting fairly represented the dairying industry in that part of New South Wales. A resolution was passed unanimously approving of the action of the butter delegates as a protest against the introduction of compulsory grading and branding. The following resolution was also unanimously passed:—

We, as delegates appointed by and representing co-operative butter factories in the Richmond River district, hereby protest against the compulsory grading and branding of butter proposed to be carried out under the Commerce Act, as an undue interference with an important and growing industry, which has been built up by the producers themselves. It has been proved beyond question that any Government grade mark is useless on the London market, and that the grading of the cream at the factory is the only means of maintaining and designating the quality and standard of butter. Such legislation has never been asked for by producers of the State, and it will entail a heavy additional expenditure, without any corresponding advantage to the industry.

It was further resolved that the resolutions agreed to should be forwarded to the Minister of Trade and Customs by the honorable member for the district, and I have no doubt that the honorable gentleman has acceded to the wishes of his constituents. Further, I may say that the Queensland Government have taken action in this matter, and instructed Mr. Scriven, the Under-Secretary of the Stock and Agriculture Department, and one of the Queensland delegates to the Conference, to write a letter to the Comptroller-General of Customs in Sydney, objecting to what had been done. A request was made that the letter should be placed before the Minister, and I have no doubt that that request has been complied with. In view of the protests made by representatives of this great

industry in Queensland, New South Wales, and Victoria, and their request for a full and fair opportunity to be heard in connexion with this matter, I respectfully ask the Minister of Trade and Customs even now to consider the protests of these people, and to refrain from imperiously dictating to the men engaged in this industry what they are to do. If it were suggested that the persons engaged in this industry were manufacturing for local consumption or for export, an article unfit for human consumption, I would agree to interference by the Government. However, nothing of the sort is suggested, and it would appear to be the intention merely to place a host of officials upon the backs of the producers of Australia. The honorable and learned member for Darling Downs and the honorable member for Richmond, as members of the Ministry representing constituencies deeply interested, should get the Minister of Trade and Customs to give the representatives of the great dairying industry of Australia an opportunity of being heard in so important a matter. It is said that a system of compulsory grading is to be carried out, because it will be of advantage to the industry. There is to be no such thing as voluntary grading, which has, so far, been carried out in Victoria and South Australia. Some time ago I remember that the honorable member for Boothby, who had considerable experience in South Australia, told the House that voluntary grading in that State had worked very well, and that it had been found to be an advantage to the industry that producers should have the right to export their products without inspection, because that had kept the Government grading officials up to the mark. On behalf of the producers of South Australia, the honorable member strongly resented interference by the Federal Government in the matter.

Mr. FRAZER.—Voluntary grading worked well in America until a little time ago.

Mr. FULLER.—I am not conversant with what was done in America, but certainly the inspection of meat carried out by Government officials in the United States has been of a very unsatisfactory character. Officials were appointed by the United States Government to inspect meat intended for local consumption and for export, and yet shameful frauds and iniquitous practices have prevailed in connexion with the meat business there. That experi-

ence does not make us hopeful of the labours of Government officials in the grading and inspection of produce in the Commonwealth. The Lord knows what sort of officials we shall get, and they will be brought into direct opposition with the responsible men connected with the dairies throughout the country. Any one who is cognizant of the history of the dairying industry in New South Wales must be aware that since the co-operative companies came into existence their one object has been to secure the production of a good article. Where the product of any factory, when placed on the market, is found to be not up to the mark, a representative is sent to the factory to find out what is the matter. The result of the system of inspection by the co-operative companies is that in New South Wales to-day, in the dairying industry, we are producing an article which is second to none, and we need not fear the competition of any other country. Another point is that, if we are to have this system of compulsory grading, it is likely that the business will have to be carried on in future in accordance with the Government stroke. We have had enough of the Government stroke in the political history of the States in years gone by, and it is very inadvisable to attempt to introduce it into our Federal system. The old saying that "distant hills are green" applies particularly in this connexion, because every one who desires to support the system of compulsory grading at once quotes New Zealand as an example. It is forgotten that New Zealand is peculiarly situated for the production of this article. With a good climate, a magnificent rainfall, and fresh grasses, those engaged in the dairying industry in New Zealand are able to produce an article of first-class quality, and a comparison of a country like New Zealand with Queensland, for instance, with her dry climate, is unworthy of attention. The success of the industry in New Zealand has been due, not to the adoption of a system of compulsory grading, but to the fact that the New Zealand Government, while favouring protective duties, impose no such duties upon implements and articles required by the man on the land. The farmers are able to get the agricultural implements, and everything else they require, at the cheapest possible rate, and with the additional advantage of their climate and rainfall those engaged in the dairying industry have been successful.

Any one who has had any experience of the London market for dairy produce must know that experts take no notice of the New Zealand grading of butter, and that it is on the quality of the article that buyers make their purchases. We are told that the New Zealand butter which is graded brings the highest prices in the English market. That is quite true, but butter which is not graded brings just as high a price. I had the pleasure recently of inspecting the Grassmere factory, in the Warrnambool district, which is one of the finest butter factories I have ever seen, and I am aware that the product of that factory, and of other factories in Victoria, has brought as high prices in the London market as has the best New Zealand butter. It is, therefore, perfectly ridiculous to contend that the high prices received for New Zealand butter in the London market are due to the adoption of the system of compulsory grading, when we know that it is the quality of the article, and not the grading marks on it, which is of interest to the buyer.

Mr. BROWN.—The New Zealand farmers were strongly opposed to grading until it was tried.

Mr. FULLER.—I am perfectly aware of that.

Mr. EWING.—They are now unanimously in its favour.

Mr. FULLER.—I should like to know whether the New Zealand farmers have expressed such an opinion. I know that those who desire compulsory grading to be brought into operation in the Commonwealth quote the New Zealand farmers as being unanimously in its favour, but I know of no occasion on which the opinion of the New Zealand farmers on the matter has been tested.

Mr. EWING.—I say still further that those interested in the industry in Victoria are also unanimous on the subject of grading.

Mr. FULLER.—I remember that when the Commerce Bill was before us, the honorable gentleman informed us that grading was not intended. I have already pointed out the absurdity of grading an article which is carried over many thousand miles of ocean, and eight weeks before it is placed on the market. I have no wish to labour the question. My sole desire is that those engaged in the industry should be given a reasonable opportunity to express their views on the subject. I speak in this

matter on behalf of the industry in New South Wales, which was represented at the Conference, and whose representatives unanimously protested against compulsory grading.

Mr. EWING.—There is no Federal system.

Mr. FULLER.—The honorable member is trying to get in some of his fine work; but he knows as well as I do that, although the regulations are not in force, they are to be gazetted within a few days, and this in spite of the fact that both he and the Minister of Trade and Customs stated on the floor of the House, when the Commerce Bill was being considered, that it did not provide for compulsory grading. The Minister has received the protests which were sent through me. I do not know whether other protests have been sent to him from other parts of Australia; but I would point out to him that the representations made through me are worthy of consideration, as embodying the experience of men who have been connected with the industry for years, not only in Australia, but also in London, and in other parts of the world. Representatives were sent home to ascertain the exact position of affairs in the London market, and they reported that the existing systems of grading are valueless. Therefore those engaged in the industry protest against a meddlesome interference with their business, which has been built up by their efforts, without Government help in any shape or form. All they ask is to be left alone.

Mr. FRAZER (Kalgoorlie) [8.33].—The honorable and learned member for Illawarra has referred to a matter affecting the administration of the Customs Department; I wish to refer to one connected with the Postal Department, which, during the absence of the Postmaster-General, is being administered by the Vice-President of the Executive Council. Many experiments have been tried in connexion with the postal service of Western Australia, and though they may have rewarded the Department with the maximum amount of information and knowledge, they have often been accompanied with the minimum amount of convenience to the public using the telegraphs and telephones of that State. I wish, however, to refer particularly to a matter which was brought under the attention of the Postmaster-General in Melbourne some months ago. He was informed that the state of the Postal Department in Western Australia was not

what it should be, and I think the representatives of that State are agreed that such was the case. As a result, a Board of three members, two of whom were officers in the New South Wales branch of the Postal Department, were appointed to make inquiries. I do not say that these officers are not thoroughly competent and trustworthy. All I know is that, as the result of their report, the heads of the Postal, Telegraph, and Telephone Departments in Western Australia were removed from their positions, two of them permanently, the Deputy Postmaster-General being given six months' leave of absence. So far everything may have been satisfactory. The investigation may have demonstrated beyond doubt the unfitness of these officers for the positions which they held. The point which I wish to make is that the Chairman of the Board on whose report they were removed, Mr. Young, and a member of the Board, Mr. Dirks, were chosen to fill two of the vacancies thus created.

Mr. McWILLIAMS. — A most improper thing.

Mr. FRAZER.—I think it is one of the worst things which have been done since the postal service came under the control of the Commonwealth Government.

Mr. JOSEPH COOK.—The honorable member takes exception to the fact that these officers were appointed to vacancies which they themselves had created?

Mr. FRAZER. — Certainly. I believe that a report hostile to any man in the service could be obtained if it were possible that the officer reporting on his competency, and recommending his removal, would be promoted to his office.

Mr. McWILLIAMS.—No candidate for a position should be asked to report upon the competency of the occupant of an office.

Mr. FRAZER.—I agree with the honorable member. The Government have done an injustice to Western Australia and to the Service by the action which they have taken. I do not know whether Mr. Young is to be retained in Western Australia as permanent head of the Department.

Mr. CARPENTER.—No. Mr. Hardman is to come back.

Mr. FRAZER.—I am sorry to hear it. If the condition of the Department in Western Australia is such that the central authority deemed it advisable to remove Mr. Hardman temporarily from his position, and to appoint another to re-organize

matters, I do not think that he should be brought back.

Mr. JOSEPH COOK.—The matter requires close investigation.

Mr. FRAZER.—In my opinion, the matter has not been properly considered, and no proper regard was not paid to the representations of the Western Australian members who knew the exact position of affairs and suggested that the heads of the departments in Western Australia should be transferred to similar positions in the other States. I myself suggested to the Postmaster-General that it would be wise to make Mr. Hardman Deputy Postmaster-General of Queensland, South Australia, or Tasmania. These changes might involve slight alterations of salary; but I think that in all the branches of the Service it is advisable to occasionally transfer both heads of Departments and officers from one to another—to divorce them from their associations.

Mr. McWILLIAMS.—It is only in one way that many officers can obtain promotion.

Mr. FRAZER.—Yes; and I think that such changes must result in improvement of the service given to the public. It is notorious that in every walk of life men are affected by their environment, and when men who have spent thirty or thirty-five years in one branch of the Public Service, as Messrs. Hardman, Snooks, and Stevens have done, their associations with others make it impossible for them to exercise the same free and independent judgment in the discharge of their duties as they would otherwise exercise. I am unable to say whether Mr. Hardman should have been temporarily removed.

Mr. CARPENTER.—He was only on six months' leave of absence.

Mr. FRAZER.—In any case, it would have been better to transfer him to another State. In my opinion, it will be a mistake to take to reinstate him in Western Australia to continue the work of the man who reported that the condition of affairs in the Postal Department there was not satisfactory. I hope that the Acting Postmaster-General will give the matter his serious consideration, and will see that, in future, officers of the Public Service are not appointed to vacancies which they themselves have virtually created.

Mr. EWING (Richmond—Vice-President of the Executive Council) [8.43 p.m.]—ask the Committee and the honorable

ber for Kalgoorlie to remember that this is a case with which the Government have had very little more to do than has any private member.

Mr. FRAZER.—Has the Public Service Commissioner ever refused to recognise the recommendation of a Ministerial departmental head?

Mr. EWING.—Parliament, in its wisdom, gave the Public Service Commissioner certain powers, and if, in dealing with an officer, he is within the law, no Minister can interfere. The right honorable member for Swan brought the cases of Snooks and Stevens before the Department several times, and within the last two days I have sent them back to the Public Service Commissioner to secure the consideration of the questions which he has raised as to the legality of the action taken, and as to its wisdom and humanity.

Mr. CARPENTER.—The honorable gentleman promised to let me have the papers in this case, but I have not received them.

Mr. EWING.—The statement of the honorable member for Kalgoorlie will also be placed before the Public Service Commissioner, and I shall be ready to inform honorable members at any time exactly what has been done.

Mr. FRAZER.—I do not wish it to be supposed for a moment that I desire that Snooks and Stevens shall be re-instated. All that I ask is that their positions shall be filled in the ordinary manner by calling for applications.

Mr. EWING.—I do not wish to enter into a discussion with regard to the powers of the Public Service Commissioner; but one cannot help being struck by the aspect of the case that has been put by the honorable member for Kalgoorlie. He asks whether men who have sat in judgment upon certain officers should subsequently be appointed to their positions. That is a serious matter, but can no doubt be fully explained. Probably I shall be in a position to make a further statement at a later stage. Honorable members must, however, remember that the Public Service Commissioner is placed in a certain position by law, and that, unless the law be altered, it is not competent for the Minister, or for the House, to interfere with him.

Mr. JOSEPH COOK (Parramatta) [8.47].—The honorable member for Kalgoorlie has mentioned circumstances which certainly require investigation. If an

officer has been removed from the service on the ground of incompetency, and is about to be re-instated—

Mr. FRAZER.—He was not removed; he was granted six months' leave of absence.

Mr. JOSEPH COOK.—That is a different matter. I know something of the two officers who were sent over to Western Australia, and they are both competent men, of the highest integrity. I have heard that they undertook the inquiry very reluctantly, and only at the urgent request of the authorities. With regard to the Bill before us, I would only remark that the Treasurer is taking an unusual course in pushing a Supply Bill through the House so early in the month. I understand that he is anxious to accommodate honorable senators, who have not very much to do, and want to go away for a short holiday. So far as I can see there is nothing in the Bill to which exception need be taken, and I am perfectly willing to accept the assurance of the Treasurer that nothing beyond the ordinary current expenses of the month are provided for. I asked the Treasurer during his speech whether there was any item in the Bill to cover his expenses to London. Scarcely had the House gone into recess after a long and strenuous session than it was announced that the Minister of Trade and Customs—I mean the Treasurer—was off to London.

Sir WILLIAM LYNE.—I wish I had been off to London.

Mr. JOSEPH COOK.—So do I. Then the Minister would have let our exporters and producers alone, instead of ceaselessly worrying them as he has done during the whole of the recess.

Sir WILLIAM LYNE. — They are all so friendly to me that I think I must be doing wrong.

Mr. JOSEPH COOK.—No one knows better than the Minister how to be friendly when he finds himself in a tight corner. It was predicted that the Minister would not be able to administer the Commerce Act, and that forecast has proved to be a perfectly accurate one. The Minister has had to set aside the Act as unworkable, and has occupied the whole of the recess in framing a set of regulations applying to one article of export.

Sir WILLIAM LYNE. — The honorable member will be singing a different tune in about a week or ten days.

Mr. JOSEPH COOK.—I shall be very glad to sing a pæan of praise if the

regulations issued by the Minister are as moderate as I hope they will be. All I ask the Minister to do is to carry out his promise to the House.

Sir WILLIAM LYNE.—I intend to do that.

Mr. JOSEPH COOK.—Do I understand that the Minister does not intend to introduce compulsory branding, so far as butter is concerned? He told us, when the Commerce Bill was under discussion, that there would be no grading of butter into first, second, and third classes. That is recorded in *Hansard*.

Sir WILLIAM LYNE.—But the conference of experts said that it should be done.

Mr. JOSEPH COOK.—Does the Minister permit a board of experts to induce him to break the solemn promise on the strength of which the Commerce Act was passed?

Mr. WEBSTER.—Does the Act permit of grading?

Mr. JOSEPH COOK.—When the Bill was going through, the Minister said that it did not, but since then he has said that it does.

Mr. WEBSTER.—But does it?

The CHAIRMAN.—Order! I would remind honorable members that we are now in Committee, and that every one is free to speak as often as he chooses.

Mr. JOSEPH COOK.—I do not mind a few interjections from the dumb member from Gwydir. He never ceased talking when he sat on this side of the House, and has never been able to open his mouth since he has been sitting on the Government side. Therefore, we must make every allowance for him. He must have been bursting at times, as he has sat silent. As I said before, the Minister told us that the Commerce Bill did not provide for grading, but the moment it was passed into law, he stated that it was intended to grade butter. That is what I complain of. The Act was passed by the employment of political trickery and chicanery.

Sir WILLIAM LYNE.—The honorable member was talking about it for six weeks.

Mr. JOSEPH COOK.—Is that sufficient to justify the Minister in deliberately breaking his word to the people of Australia?

Sir WILLIAM LYNE.—I never did that.

Mr. JOSEPH COOK.—The Minister has done it. It is recorded in *Hansard*, that the Minister, in answer to a question by the honorable member for North Sydney, said

that no such thing as grading butter into first, second or third qualities was intended.

Sir WILLIAM LYNE.—I do not think the word "grading" appears in the regulations.

Mr. JOSEPH COOK.—Does the word "stamping," or "branding" appear in the regulations? It is not so much the grading, as the branding of the boxes, that is objected to.

Sir WILLIAM LYNE.—They are going to be branded somehow.

Mr. JOSEPH COOK.—No. That is just on a par with the Minister's conduct in relation to all his measures. He will say anything in order to get a measure passed, but the moment they become law, he assumes the attitude of a czar, and says, "There is the law, and it must be carried out to the fullest degree."

Sir WILLIAM LYNE.—So it should be.

Mr. JOSEPH COOK.—Very well. Ministers should tell the truth when Bills are before the House. If they mean that the law is to be carried out in its entirety, they should let honorable members know it. I am sure honorable members did not know, when the Commerce Bill was before us, that the Minister intended to grade butter into a series of qualities. He said the contrary.

Sir WILLIAM LYNE.—The word "grading" is not used in the regulations.

Mr. JOSEPH COOK.—If the Minister will say that he does not intend to depart from his promise, I shall have more to say. He has, however, departed from it. He told the Conference of representatives of the dairying industry that the grading provision was in the Bill, and that he would not permit them to do anything but the best manner in which to carry it out.

Sir WILLIAM LYNE.—I did not tell the Conference that grading was provided for in the Bill.

Mr. JOSEPH COOK.—I think it can be found that the Minister told the delegates that he had called them together to settle what grades they should have, and what system of classification should be adopted. When the delegates asked they could discuss the whole question, he expressed an opinion as to whether it should be grading and branding, and the Minister brought them up with a roundabout answer and told them that he had not called them together for anything of the kind.

Sir WILLIAM LYNE.—I said that they were not there to interfere with the Commerce Act, but to help me to carry it out.

Mr. JOSEPH COOK.—Exactly. The Minister told the delegates that branding and grading were provided for in the Act, and that he desired them to make certain arrangements which would help him to make regulations for the description of the goods.

Sir WILLIAM LYNE.—Trade description.

Mr. JOSEPH COOK.—Of course. Those are made up by the officers of the Department. When you describe what is to be in the goods, and examine them as to whether they attain a certain standard, and mark the boxes accordingly, what is that but grading and branding? No one would object to the Government certifying that articles were of good quality, but we say that the Government are not competent to certify as to the quality of the butter eight weeks before it is placed on the market. It is well known that the character of butter undergoes a change during the voyage. Very often it is improved in quality owing to the elimination of certain flavours.

Mr. CARPENTER.—And it very often becomes worse.

Mr. JOSEPH COOK.—Quite so. Hence the absurdity of attempting to indicate the precise quality of the butter before it is shipped to London.

Sir WILLIAM LYNE.—A good deal of the agitation on the subject is interested agitation.

Mr. JOSEPH COOK.—Of course it is. What else could it be? Has a man whose business is at stake, no right to agitate? Is it not a great pity that a man who has his whole capital and livelihood at stake should be permitted to make a complaint with regard to something that is interfering vitally with his business? It is probably a good thing that we have a socialistic Minister who believes so much in private liberty that he resents agitations of any kind. Of course, these people are interested. They have a right to be interested. Their interests, as they say, are vitally affected.

Sir WILLIAM LYNE.—They are getting as much out of the producer as they can.

Mr. JOSEPH COOK.—I do not know that. All my knowledge goes to show that the producers in New South Wales are opposed to this Bill, as well as the interested persons to whom the Minister alludes.

Sir WILLIAM LYNE.—They are not opposed to it.

Mr. JOSEPH COOK.—I think the Minister will find that they are. I admit that the honorable gentleman is doing his best to smooth away the difficulties to which it has given rise.

Sir WILLIAM LYNE.—Then, why does the honorable member abuse me?

Mr. JOSEPH COOK.—I am finding fault with the Minister for breaking his word to the House. A whole recess has passed away, and he has not yet been able to frame the regulations under this precious Bill. When he came to administer it, he found that it was impossible to administer it in the form in which it was put through this Parliament. Consequently, his whole recess has been spent in endeavouring to make it a workable measure.

Sir WILLIAM LYNE.—How could I interfere with the Act?

Mr. JOSEPH COOK.—The Minister has great discretionary powers vested in him under the Act, so that, while he cannot interfere with the Statute itself, he can make the greatest possible variation in its administration. The honorable gentleman believes thoroughly in taking unto himself all the power that he possibly can. More than any of his colleagues, he is a kind of administrative Czar, who would support the passing of a Bill, consisting of one clause, which would confer upon him absolute power to do whatever he chose in all the ramifications of trade and commerce, and which would leave its administration to Ministerial regulations. I hope that his statement that grading is not provided for in the regulations—

Sir WILLIAM LYNE.—I said the word "grading."

Mr. JOSEPH COOK.—Then the Minister does make a distinction between the two things. Does he intend to grade under the regulations without having the courage to say so? Will the Minister say that he does not propose to grade under the regulations?

Sir WILLIAM LYNE.—The honorable member will see what the regulations themselves say.

Mr. JOSEPH COOK.—Of course I shall. In the meantime, I suppose that I must be content. I am not in the Minister's secrets, and if members of the Opposition wish to obtain the information for which I have asked, they must employ as their agents some of the honorable

members opposite, who could secure it in two minutes if they desired to do so. I do not intend to deal with this matter at any further length. It has been discussed exhaustively by the honorable and learned member for Illawarra, who has really made most of the points that I intended to make. He has covered them with an intimate knowledge of the question. I was remarking, when I was led off into this line of argument, that the Treasurer, when he hurriedly left upon a mysterious mission to London, was careful to explain that he was going at his own expense. His last words wafted over the waters from Western Australia were—"I am going upon semi-public business, but at my own expense."

Sir JOHN FORREST.—I did not placard the fact. It was the Prime Minister who made the statement.

Mr. JOSEPH COOK.—The Minister made the statement in an interview with the press representatives.

Mr. EWING.—Does the honorable member wish to pay him?

Mr. JOSEPH COOK.—No; but at the same time I do not believe in that sort of thing. If a Minister goes to London upon public business, it is right that the public should pay his expenses.

Sir JOHN FORREST.—I said that I was going upon private business, but that I intended to do a lot of public work whilst I was in London.

Mr. JOSEPH COOK.—However, I have no desire to labour this matter. I watched the doings of the right honorable gentleman whilst he was absent with a very great deal of interest, and the point which struck me most forcibly about his mission was that the further he was from our shores the more Imperialistic he became. It seemed to me that the nearer he got to our shores upon his return the less of that sort of thing was apparent.

Mr. HUTCHISON.—Why, the ex-Premier of South Australia said that he was away on a spree.

Mr. JOSEPH COOK.—Everybody knows that the Treasurer is a thoroughly loyal subject of the Empire, and I was glad to see him holding up the end of Australia upon the other side of the world. I was pleased to see with what ability and pertinacity he did it, and I shall be glad to hear some more similar utterances from him here. They would not do him any harm. At the same time, I hope that nothing will come to my honorable

friend in the shape of any further prospect to London. I trust that he will stay in Australia for some time—at any rate after the next general elections. I trust that he will remain with the Prime Minister till after the great appeal has been made to the country, because of his recent advances upon the land tax proposals of the supporters of the Government.

Mr. JOHNSON.—He will have to come down before then.

Mr. JOSEPH COOK.—I do not think it is likely that he will climb down, and it is just possible that he may yet stiffen the back of the Prime Minister. It is certain that the latter requires a stiffening in the backbone. I say that advisedly, in view of his recent utterances upon this very important question. He cannot be induced to say in the same frank and fearless fashion as his Treasurer. He does not believe direct taxation is necessary under existing circumstances, and we can provide for an old-age pension scheme without it. In view of the statements of the Treasurer, and of the publicity given to the Labour Party's proposals by the Minister of Trade and Customs, we have a right to know where the Prime Minister is between these two strong-minded men, who have great courage so far as their own opinions are concerned. We have a right to learn where the Prime Minister is between these two strong personalities. He has one Minister tugging at him in one way and another pulling at him in a contrary direction. I trust that he will not be injured in the tug-of-war. But it is really time that the Prime Minister told the country what he is going to do in connection with the land tax proposals of the Labour Party.

Sir WILLIAM LYNE.—What is the honorable member going to do?

Mr. JOSEPH COOK.—What I told the electors I should do. In making these observations, I am simply following the example of the Labour Party. I think the honorable member for Bland was perfectly justified in asking for a statement from the Prime Minister upon this question of prime policy. I notice that a very persevering effort is being made by the leader of the Labour Party and his leagues to smooth the way for the Prime Minister and for his direct followers. On the other day the honorable member Bland told us that already he had the

of the States regimented behind the Government for the next election. He said that he was already certain that the other States would offer no objection to the return of Ministers and members who entered into such an alliance.

Sir WILLIAM LYNE.—The honorable member would like to get them to oppose me.

Mr. JOSEPH COOK.—I do not wish them to oppose the Minister.

Sir WILLIAM LYNE.—The honorable member's chief has been again trying to bring about that result, but has failed.

Mr. JOSEPH COOK.—I am not aware of that. Moreover, I do not believe the statement.

Sir WILLIAM LYNE.—It is true. He made the statement in public.

Mr. JOSEPH COOK.—I do not think that the Minister is intentionally saying what is not true, but I should require some proof before I believed such a statement.

Sir WILLIAM LYNE.—He made the statement upon the public platform. He said practically the same thing at Albury.

Mr. JOSEPH COOK.—I will be very candid, and say that I do not think the Labour Party ought to oppose the return of the Minister. He has declared that he believes in their Socialism, in their programme, and in the land tax. Why on earth they should oppose him I do not know.

Sir WILLIAM LYNE.—I have never said anything of the kind.

Mr. JOSEPH COOK.—The Minister most certainly did. He defended the Socialism of the Labour Party throughout the length and breadth of New South Wales, in the course of a tour which he recently made in following the leader of the Opposition.

Sir WILLIAM LYNE.—I defended their action.

Mr. JOSEPH COOK.—Exactly; that is what I am saying. The Minister made it quite clear that he was in entire sympathy with the objects of the party which now supports the Government.

Sir WILLIAM LYNE.—I am not in sympathy with the leader of the Opposition.

Mr. JOSEPH COOK.—When the Minister dies, I predict that he will die of apoplexy brought about by the right honorable member for East Sydney.

Sir WILLIAM LYNE.—I think that he will die first.

Mr. JOSEPH COOK.—I do not think so. At any rate, I have very grave fears for the Minister in that respect.

Mr. CARPENTER.—Politically?

Mr. JOSEPH COOK.—Politically and physically too. I say, fearlessly, that the Labour Party ought not to oppose the return of the Minister of Trade and Customs since he has declared, in such a straight-out fashion, that he is with them right up to the hilt.

Mr. McCOLL.—He ought to sign the Labour pledge.

Sir WILLIAM LYNE.—The honorable member for Parramatta knows that he is making a misstatement.

Mr. JOSEPH COOK.—I should be very unwilling to make a misstatement on that matter. Will the honorable gentleman say that he has not expressed the opinion that the big estates should be burst up by Federal action?

Sir WILLIAM LYNE.—They should be burst up in some way.

Mr. JOSEPH COOK.—The honorable gentleman admits that he has expressed such an opinion. That is precisely the attitude of the honorable member for Bland, and the Minister was therefore wrong in saying that I had made a misstatement. I say that if the honorable gentleman believes in all that the Labour Party is doing he might as well sign their pledge. The same thing applies to him as applies to the honorable and learned member for Northern Melbourne.

Sir WILLIAM LYNE.—If I did sign their pledge I should not go back on it, as the honorable member did.

Mr. JOSEPH COOK.—No member of the Committee knows better than does the Minister of Trade and Customs that I never signed any pledge, and, therefore, never went back on any. My trouble was that I would not sign the pledge.

Mr. WEBSTER.—Did not the honorable member sign a pledge as a member of the party?

Mr. JOSEPH COOK.—I have no recollection of having signed any pledge. At any rate, let me tell honorable members that I was never asked by my constituents to sign any pledge. I never did sign any pledge to them, and therefore never broke one. I am replying now to one of the statements of the party opposite that is industriously circulated throughout Australia, and in which there is not a tittle of truth.

Mr. WEBSTER.—Did the honorable member sign a pledge to the Labour Party as a party?

Mr. JOSEPH COOK.—Not that I recollect. If the honorable member for Gwydir will tell me what he means particularly I shall endeavour to tax my memory in order to reply to him. I am speaking of a pledge which is exacted from the outsiders. Of course, fifteen years ago we went in very green, and what was done then I do not quite remember.

Mr. WEBSTER.—The honorable member went in "green" then, and he is coming in "yellow" presently.

Mr. JOSEPH COOK.—I am afraid that the honorable member for Gwydir is now raising the sectarian question. I was not speaking of that kind of "green" at all. I desire to say emphatically that the statement of the Minister of Trade and Customs is an incorrect statement, for which there is not a tittle of justification. I say, further, that if I were in accord, as the honorable gentleman is, with the Labour Party, and were going about the country advocating and defending their aims and objects upon all platforms, I would sign their pledge and join the party.

Sir WILLIAM LYNE.—Suppose the honorable member were not asked to do so?

Mr. JOSEPH COOK.—I say that the honorable and learned member for Northern Melbourne should also sign the pledge. I do not wonder that people outside are asking the honorable and learned gentleman, to take himself off to another constituency, and not to try to represent a labour constituency unless he is prepared to subscribe to the discipline, platform, and pledges of the Labour Party.

Mr. HUTCHISON.—How can the honorable member advise that when he would not sign the pledge himself?

Mr. JOSEPH COOK.—I do not go about with the Labour Party as the Minister of Trade and Customs and the honorable and learned member for Northern Melbourne have done.

Mr. HUTCHISON.—The honorable member was inside the party.

Mr. JOSEPH COOK.—Might I remind the honorable member for Hindmarsh that when I declined to sign the pledge the honorable member for Bland and six others came up to my constituency and spent a fortnight there trying to chase me out of political life. They do not do that in the case of the honorable and learned member

for Northern Melbourne, because he not sign the pledge to-day.

Mr. HUTCHISON.—The honorable learned member has never been inside party.

Mr. JOSEPH COOK.—Nor have I been inside the pledged caucus party exists to-day. I never owed it allegiance.

Sir WILLIAM LYNE.—The honorable member led the party, and he says he never owed it allegiance.

Mr. JOSEPH COOK.—I say once for all that I never belonged to the organized Labour Party as it exists to-day. I never signed their pledge, I was not asked to sign a pledge by my constituents, and the moment I was asked to sign a pledge by Watson and Company in Sydney I declined to do so.

Mr. HUTCHISON.—We have never asked by our constituents to sign a pledge.

Mr. JOSEPH COOK.—Honorable members are asked to do so by an outside body, and that is twenty times worse.

Mr. CARPENTER.—It is a purely voluntary act.

Mr. JOSEPH COOK.—Exactly, honorable members cannot run for Parliament as members of the Labour Party unless they do sign the pledge.

Mr. CARPENTER.—They have no wish to do so.

Mr. JOSEPH COOK.—I am not quarrelling with honorable members of the Labour Party, because they have their ideas of discipline. I merely say that I would not subscribe to them, and I have never been a member of their pledged caucus party, and therefore never bound to them, as some honorable members are fond of saying.

Mr. WEBSTER.—The honorable member knows what his position in the party is.

Mr. JOSEPH COOK.—The honorable member for Gwydir should be the last person to talk to me about my position. I endeavoured to get into Parliament without the Labour Party, and it was only when he found that he could not do so that he signed the pledge, and got in with the party.

Mr. WEBSTER.—No.

Mr. JOSEPH COOK.—The honorable member went all round the political pass, and joined the Labour Party when he found that he could not get into Parliament without them.

Mr. WEBSTER.—That is the old gag.

Mr. JOSEPH COOK.—And it is true.

Mr. WEBSTER.—It is not.

Mr. JOSEPH COOK. — I happen to live in the same town as the honorable member, and I know a little about the matter. I am stating facts when I say that he tried his best to get into Parliament unattached to the Labour Party, and it was only when he found he could not succeed in doing so that he came in under the wing of the Labour Party.

Mr. WEBSTER.—The honorable member's scurrilous attacks are not worth replying to. He is capable of nothing but Billingsgate abuse, and if the Minister of Trade and Customs were not present he would have no speech to make at all.

Mr. JOSEPH COOK. — This is very strange, after the brutal attack made upon me by the Minister, and the brutal interjections to which I have been subjected from the Labour corner. However, I should like to be allowed to proceed. I was about to say that the honorable member for Bland had made these insistent demands of the Prime Minister upon public platforms. He has recently been demanding of the Prime Minister that before there can be any talk of alliance the honorable and learned gentleman should make some definite statement. Here is what the honorable member for Bland said at Crow's Nest in the North Sydney electorate:—

He took Mr. Deakin's remarks at Adelaide to suggest something in the way of a definite alliance with the Labour Party. He, as a member of that party, would be willing to continue to work with Mr. Deakin, but before he so agreed he wanted to know what were Mr. Deakin's programme and proposals.

That was a very fair request to make, but it is a request with which the Prime Minister declines to comply. Mr. Watson further said—

Mr. Deakin's programme at present was in a state of transition, if, indeed, it existed at all. That being so, the Labour Party had a right to be informed as to Mr. Deakin's intentions before it entered into any agreement. The party had had no clear statement on this matter from Mr. Deakin. Mr. Deakin had declared that the question of Socialism was one for the States, and that before the Federal Parliament could deal with it there would have to be an alteration in the Constitution. Under those circumstances it was fair to ask Mr. Deakin whether he would alter the Constitution in order to make it possible to nationalize one or more existing monopolies.

There is a straightforward demand on the part of the Labour leader that the Prime

Minister of Australia should make a declaration about the progressive land tax, and also on the question of the alteration of the Constitution for socialistic purposes. No demand could be more clear or more insistent. The honorable member for Bland went on to say—

There was one concrete question that the Labour Party had put to Mr. Deakin, and that was as to his intentions as to the progressive land tax to burst up the big estates. The party had a right to know what the other two parties meant in this connexion. . . . He had said that intricate financial problems were involved, but he (Mr. Watson) denied that was the case. It was only an excuse, and did not justify the refusal of Mr. Deakin to give the public an idea of his intentions.

Since Parliament met, and the honorable member for Bland came over to Victoria, he seems to have stopped that kind of talk, and we now learn that he is working heaven and earth in a private way to call off all opposition to the Prime Minister.

Mr. CARPENTER. — In a private way? The honorable member ought not to say that. Everything is being done publicly. There has been no private work at all.

Mr. JOSEPH COOK.—I mean that he is doing it in an unofficial way. The party in this House is doing its best to prevent opposition to its allies here, and to persuade the Victorian officials to support it.

Mr. CARPENTER.—Nothing is being done privately.

Mr. JOSEPH COOK.—By privately I mean unofficially. It is not being done through the ordinary channels.

Mr. CROUCH. — Is not the honorable member making a mistake in including the Prime Minister?

Mr. HUTCHISON.—He has never been mentioned.

Sir WILLIAM LYNE. — What have these remarks to do with the Supply Bill?

The CHAIRMAN.—These interjections are highly disorderly.

Mr. JOSEPH COOK.—I do not mind the interjections, but I hope that the Minister of Trade and Customs, after taking up so much time to-night, will not rise in his wrath to-morrow, and demand that the debate on the Anti-Trust Bill be shortened in consequence.

Sir WILLIAM LYNE.—There are only two more members to speak on that Bill.

Mr. JOSEPH COOK.—I know of more than two. This statement contains the answer to the honorable and learned member for Northern Melbourne. On several occasions he has been trying to emphasize

the point that we have no constitutional power to nationalize industries. Well, here is a demand from the Labour leader to the Prime Minister for an alteration of the Constitution which will make it possible to begin this nationalizing process.

Mr. MAUGER.—This House cannot alter the Constitution. No such alteration could be made without the consent of the people.

Mr. JOSEPH COOK.—I am perfectly aware of that. The Prime Minister has declined to make any reply to the demand of the honorable member for Bland. He told us the other day that, neither personally nor on behalf of the Government, would he commit himself to any such course. But a great change has come over the scene since those words were uttered. The leader of the Labour Party is now doing his best to perfect his alliance with the Prime Minister, although the latter will not make any public declaration in regard to the proposed Federal land tax for the bursting up of large estates. The question may, therefore, be asked, "Has the Prime Minister given the honorable member for Bland private assurances in the matter?" That seems to me a most probable explanation.

Mr. POYNTON.—Evil be to him who evil thinks.

Mr. JOSEPH COOK.—Is it evil to suggest that they may have been discussing matters privately? I am afraid that it is the honorable member who is thinking evil.

Mr. POYNTON.—It is improper to suggest that the Prime Minister has told the honorable member for Bland something privately which differs from what he has said in public.

Mr. JOSEPH COOK.—It may be improper, but it is a common sort of impropriety on the part of Governments, particularly in regard to alliances.

Mr. POYNTON.—It might be common to the Government which the honorable member supported.

Mr. JOSEPH COOK.—We shall be glad to know what is the exact position of matters. Perhaps the honorable member will put us right, and so save all this bother and blundering. Let him tell us why there has been this tremendous change in his tone and attitude towards the Prime Minister.

Mr. POYNTON.—Why should we explain our affairs to the honorable member?

Mr. JOSEPH COOK.—Then why does the honorable member object to my action

in trying to find out something for self?

Mr. MAUGER.—The honorable member making a fishing inquiry.

Mr. JOSEPH COOK.—No; I am merely pointing out the difference between the attitude of the labour leader at New Sydney a few weeks ago, and his present attitude of complaisance towards the Prime Minister. He seems now to be ready to accept the Prime Minister, land tax or no land tax, and nationalization of monopolies or no nationalization of monopolies. He is doing his best to assist the Prime Minister through the coming elections.

Mr. POYNTON.—That is what the honorable member is sorry about.

Mr. JOSEPH COOK.—I am not sorry about it; but the members of the Labour Party are sorry that they cannot get the officials outside to take the view which they take. Their leader's appeal the other day was an almost piteous one. He said that he hoped that Victoria would honor the bargain as the other States had done, and not leave them in the lurch. The honorable member has stated the condition of the bond, but the public have a right to say that they will not accept the Prime Minister until he has made a public declaration concerning his opinions on the Federal land tax and the nationalization of industries. No one has made it so clear as the Prime Minister has made it that we have no constitutional power to nationalize industries. A couple of years ago, when he was Attorney-General in the Barton Government, he was asked a question on the subject, and he replied that this Parliament has no power to nationalize industries. Senator Drake, who succeeded him as Attorney-General, gave a similar opinion. Yet, when Parliament had gone into recess last year, he appointed Royal Commissions to inquire into the feasibility of nationalizing the shipping and tobacco industries, and the members of those Commissions have travelled throughout Australia, spending public money in the effort to discover whether a case could be made out for nationalization. If the Prime Minister thinks that we have no power to nationalize industries, he should not authorize the expenditure of public money in fruitless inquiries.

Mr. CROUCH.—Did he appoint a Tobacco Commission?

Mr. JOSEPH COOK.—Yes. He converted a Select Committee of the House into a Royal Commission. The Chairman of the Shipping Commission told us, when he asked for the appointment of a Select Committee, that he would have nothing to do with the matter if he were not bent upon Socialism, and the whole object of this inquiry was to ascertain if the nationalization of the shipping industry of Australia was feasible. Of course, the power to nationalize could be obtained by an amendment of the Constitution, and the leader of the Labour Party has challenged the Prime Minister to propose such an amendment. But, apparently, these challenges are merely so much platform rhetoric. As soon as he comes near the Prime Minister, he becomes a consistent, faithful, and complaisant ally. The honorable member for Bland on the political rampage is a different man from the honorable member for Bland whom we know in this Chamber as the ally of the Prime Minister, so that there almost seem to be two personalities. However, the matter is one for the Labour League of Victoria and the public to decide. It seems to me that the Victorian Labour Leagues have a right to take up the attitude that they have assumed in requiring pledges from the Prime Minister before undertaking to enter into an alliance with him.

Mr. MAUGER.—I would suggest that the honorable member should address them on the subject.

Mr. JOSEPH COOK.—I have addressed them on several occasions during the past fortnight or three weeks, and have had a really good time. I find the Socialists outside more frank in their admissions than are those in this Chamber.

Mr. CARPENTER.—At Castlemaine did they not call the honorable member a Judas?

Mr. KELLY.—The Labour organ called the Prime Minister a Judas.

The CHAIRMAN.—If honorable members continue to interrupt, I shall have to mention them by name.

Mr. JOSEPH COOK.—For every foul epithet applied to me, ten have been hurled at the Prime Minister, but, although he has been called by adherents of the Labour Party a "ballv" rat, a Judas, and other unpleasant names, he swallows the insults, and does their work. That is how we differ. I wish to say one or two words with regard to another matter.

There seems to be a disposition to spend a little more public money in making additional appointments before the Government goes to the country. I see that one of the members of the Labour Party has a motion on the business-paper which indicates an anxiety on his part to have a Lieutenant-Governor appointed for Papua. I do not quite understand this, except it is desired to create another appointment for Papua. It is very strange that, after all the great haste that was displayed in passing the Papua Bill through this Chamber, the Government should not have brought the new constitution into operation. We were told last session that it was necessary to pass the Bill in order to provide a system of government for Papua. It was reported that all sorts of dangers were menacing the community there, and on that ground the honorable member for Melbourne Ports, and the honorable member for Cowper, and others who held very strong opinions with regard to a certain matter, were induced to give way in order that provision might be made for a constitution without further delay. Seven months have been allowed to pass without any action having been taken to give Papua the constitution for which provision is made by Statute, and we have a right to some explanation. I venture to say that the Act would not have been passed in its present form had it not been for the appeal made by the Prime Minister upon the ground of urgency. Now, it appears that the Government do not want the constitution for Papua. I should like to know why. There is a vague statement in the Governor-General's speech with reference to the matter, and that is all that we know about it. Now, a private member suggests, even before the constitution is set up, that a Lieutenant-Governor should be appointed. How does that honorable member know that the Government have not already provided for a Lieutenant-Governor?

Mr. PAGE.—He wants to know.

Mr. JOSEPH COOK.—Not at all. He has taken independent action. He intends to invite the House to express the opinion that a Lieutenant-Governor, in close and recent touch with the aspirations of the Commonwealth and of the Territory, should be appointed.

Mr. MAHON.—Does the honorable member object to the appointment of an Australian?

Mr. JOSEPH COOK.—Not at all.

Sir WILLIAM LYNE.—Then what is the honorable member making such a fuss about?

Mr. JOSEPH COOK.—The Minister will know if he waits for two minutes. It is stated that the Judiciary Act is to be amended, with a view to the appointment of more Judges to the High Court Bench. In my opinion, these appointments have waited so long that they might well be delayed until after the general election. The Government has already been described by the Prime Minister as consisting of twenty-four blackbirds out of the 111 members in both Houses, and, under these circumstances, I think that they should have some constitutional warrant behind them before they exercise their executive power in relation to high appointments of this kind.

Sir WILLIAM LYNE.—How many honorable members are on that side of the House?

Mr. JOSEPH COOK.—We are not running Australia.

Sir WILLIAM LYNE.—No; that is the trouble.

Mr. JOSEPH COOK.—I venture to say that it is Australia's trouble at the present time. The Vice-President of the Executive Council need not laugh so inordinately. No one has recognised the present constitutional anomaly more than he has done, and he, of all persons, should sit quiet when matters relating to the alliance of the Government with the Labour Party are referred to. It is not so long since that he described the policy of the Labour Party as made up of 15 per cent. of practical politics and 75 per cent. of bird-lime. Now, within a short twelve months, he and twenty-three other blackbirds are sitting there with their feathers covered with socialistic bird-lime.

Mr. PAGE.—Those with whom the honorable member's party is allied, want to run away at the eleventh hour.

Mr. JOSEPH COOK.—I am very glad that the honorable member has brought to my mind an observation which I may make in reply to his. It may be that the Prime Minister declines to express himself clearly with regard to the imposition of a Federal land tax and other socialistic proposals, in order that, before the election, he may be able to bolt away from the party with which he is at present allied.

Mr. PAGE.—The wish is father to thought.

Mr. JOSEPH COOK.—It is no matter of my wish, or of my thought. Judging by past performances, the ministerial bolters can be backed against 1 in the Opposition corner every time.

Mr. PAGE.—The members in the Opposition corner are very "crook."

Mr. JOSEPH COOK.—They are tainting their seats. They have not dragged in by means of socialistic bird-like honorable members on the Government benches, whose feathers are covered with it. The Vice-President of the Executive Council described the Socialistic Party as having two faces, one, the mild reasoner's face of the honorable member for Blenheim, and the other, the face of an anarchist. This is the man who laughs now at the slightest criticism from this side of the chamber. One wonders which of the parties to the Government alliance has the more capacious swallow—the Prime Minister, who has been denounced as perhaps no other man in Australia has been, by the Labour Party outside, or the Labour Party inside, which has been criticised in merciless and scathing terms by the Prime Minister. As I have said, the Government might very well allow these constitutional appointments to stand until they obtain a constitutional warrant from the electors. Such appointments ought to be made by a Ministry with a strong party, and the authority of the Commonwealth behind it.

Mr. CARPENTER.—Would not a resolution of the House be the best authority that could have?

Mr. JOSEPH COOK.—I do not say so. That is begging the whole question. Already, this House has shaped up the issues for the next election, and until the issues are decided and the Government represents the people, and has their mandate, it should not make high appointments such as those indicated.

Mr. PAGE.—Did not the electors elect the period for which they were electing? do we not still hold their mandate?

Mr. JOSEPH COOK.—Yes; but the things have changed since the last election.

Mr. PAGE.—Yes, the honorable member has changed.

Mr. JOSEPH COOK.—No, I have not. I have stuck to my party. I have quarrelled with those who stick to their party.

Those who have left their party are smiling just now, because they have made something out of the change. I had intended to refer to the question of the Federal Capital Site, but as it is now growing late, I shall defer my remarks. I should like to direct the attention of the Postmaster-General to the sweating that appears to be going on in the Post Office at Sydney. I think it is time that this matter was inquired into. I find that recently an instruction was issued by the central administration, that men who remain at work in the Post Office until half-past six must no longer be paid tea money. If a man works for two hours beyond the usual time, half-past four o'clock, he is not to get any tea money.

Mr. CROUCH.—Does he get paid overtime?

Mr. JOSEPH COOK. — No. Then a further direction has been issued which I regard as involving a little bit of prime sweating. The instruction is that where work frequently necessitates an official's attendance after the regulation hours, he shall be required to work till 9 or 10 p.m. in order to be entitled to tea money.

Mr. MAUGER.—Who is responsible for that instruction?

Mr. JOSEPH COOK.—Mr. Robert T. Scott, Secretary to the Department.

Mr. KELLY.—What is the date of it?

Mr. JOSEPH COOK.—It is dated 8th February, 1906.

Mr. KELLY.—Was it issued at the instance of the present Government?

Mr. JOSEPH COOK.—I do not think that the Government know anything about it. These are matters of internal administration, and I do not suspect that the Minister has any knowledge of it. I submit that that direction ought to be withdrawn at the earliest possible moment. If the officials of the State work overtime they have a right to be paid for it. Of course, one does not expect that they shall be paid overtime if they are required to stay five minutes after the ordinary hour, but when they are compelled to work at night they are perfectly entitled to be paid overtime. I am sure that the Minister will look into this matter, with a view to ascertaining if a remedy cannot be applied. Although I am constantly accused of favouring sweaters, I do not believe in that kind of sweating. I am just as much opposed to sweating as is any member of this Chamber, and I think that a direction of that kind is neither more

nor less than an intimation to the high officials in Sydney to sweat their subordinates. This House does not expect anything of that kind, and I trust that it will see that the evil is speedily remedied.

Mr. EWING (Richmond—Vice-President of the Executive Council) [10.5].—If the deputy leader of the Opposition will hand me the memorandum from which he quoted, I will cause inquiries to be made into the matter which he has mentioned. We all entertain the highest opinion of the Secretary of the Postal Department, and we all know that the Public Service Commissioner does his work as well as it can be done. This evening I have been scolded in almost every language and by people of every description. The honorable member for Parramatta has again scolded me. Perhaps it would be just as well if I gave one or two reminiscences, with a view to showing how consistent the honorable member himself has been to every party and to every cause. As to my past utterances respecting Continental Socialism, I still maintain my views with regard to those principles, and have nothing whatever to withdraw. But I still hold that when a number of men, concerning whose character and truthfulness there can exist no doubt, inform us that the end which they have in view is not corruption and infamy and degradation—when they declare time after time that these are not their objective—it ceases to be politics, but becomes a personal affront to make such charges against them. When honorable members affirm that there is a misapprehension in regard to their position, their statement in an assembly of gentlemen, I use the term in its highest sense, should be accepted as a fact, and the accusations levelled against them should not be repeated. I have heard honorable members upon the other side of the Chamber make charges against men concerning whose personal honesty there has never existed any doubt. The accuracy of these charges has been denied, but, nevertheless, they have been repeated. Under these circumstances, I say that their repetition becomes nothing but a personal affront in which I refuse to participate.

Mr. JOHNSON.—How the Minister has changed his opinions.

Mr. EWING.—The honorable member talks about me having changed my opinions. Anybody who believes in electrobiology, who knows the effect of brain

upon brain, must know that if, in the past, I erred a little, I did so because it was not possible for me to remain respectable in the company in which I found myself. If I needed any excuse for what I have done, I should state that I felt then like a lotus in the mud of the Nile. Why, if honorable members socialised me, they would get more than could be extracted from the whole front bench of the Opposition. Some persons who talk so wildly about Socialism could afford to regard Australia merely as a boarding-house. They could walk out of it to-morrow, and leave nothing behind them but a dirty shirt. I was a member of the coalition party, and I did the best that I could for it. I was loyal to it, and did as much for it as any honorable member opposite. But when I found myself abandoned, I retained my principles and my electoral obligations. I have heard the leader of the Opposition repeatedly ask the question, "How can I have been unfair? You see that I am out of office." Need I remind honorable members that they have seen many a man reach for the bridle and fall off over the horse's crupper. When I was a member of the alliance, two Conservative members of the present Opposition came to me—the honorable member for Kooyong and the honorable member for Grampians will know who they were—and said, "Look at Mr. Reid and Mr. Cook. They are now aristocrats—they are leading the Conservatives. Cannot you rub the dandy brush over the honorable member for Parramatta and take a few of the labour burrs off him?" Both the present leader of the Opposition and his deputy were covered with burr and straw and cobweb from head to heel—burr and cobweb which had been accumulated in passing along the sinuous and sombre passages that form the back-stairs entrance to the Labour room. Everything which they could offer to the members of the Labour Party to secure their support was offered by them. Failing to secure an alliance with that Party, they approached the Protectionist Party. The honorable member for Kooyong and the honorable member for Grampians will know who asked me if I could not put the curry-comb over the honorable member for Parramatta, and make him look a bit conservative. I said that I would do my best if they would deal with the right honorable member for East Sydney. I do not

Mr. Ewing.

know what happened to the present leader of the Opposition, but I saw the honorable member for Grampians and the honorable member for Kooyong walking out on to the lawn taking with them a hay rake and a harvester. I do not know what they wanted with those implements, but I saw them a little later on with a chaffcutter. I wish to show how consistent, how genuine, and how honorable is the deputy-leader of the Opposition in his political views, and how trustworthy he is. I am not speaking personally. These political debates should have no individual aspect. I said that I would do my best with him, but did not take anything with me but a piece of chamois and a corn-cob. I found that he shed his coat very easily. This occurred upon a Sunday. I saw him upon the following morning. He was looking like a Vermont ram—all wrinkles. I took him down to the basement again, and took a skin off him—a fiscal sinker's skin. On Tuesday morning I saw that he still presented a wrinkled appearance, so I set to work upon him, and took a free-trade skin off him. I could smell the opium on it. Upon Wednesday he was again wrinkled, and accordingly I set to work and got a labour skin off him. I knew that it was a labour skin, because he said he objected specially to it, and the honorable member asked me to take it away quickly.

Mr. JOSEPH COOK.—My leader has never called me a "rat."

Mr. EWING.—Honorable members opposite have charged me with every political offence, and now they cannot stand an honest, truthful statement. Upon Thursday the honorable member for Parramatta was still wrinkled, and I got a protectionist skin off him. On Friday he shed a single-tax skin, and on the Saturday, as he was still wrinkled, I took a Socialist's skin off him. Although I tell this to honorable members in an allegorical way, my statement is theoretically true. I have known the honorable member as a fiscal sinker, as a free-trader, as a labour member, as a protectionist, as a single taxer, and as a Socialist all within a few years. After I had finished with him on the Sunday morning he looked about as amiable as a snake does in spring time. All this only proves the honorable member's powers of adaptability, and shows that he is able to feed out of any nose-bag. When honorable members opposite unjustly and unfairly tell the House that members of the

ment have altered their opinion, I make it perfectly clear to the count now and again those who find fault are not quite so consistent as they have others believe.

KELLY (Wentworth) [10.14].—Honorable gentleman who has just his seat is about as unfitted as is honorable member to make the speech which we have just listened. We can spare his humour.

DEAKIN.—Can the honorable member understand it?

KELLY.—We can all understand your, but honorable members on this side of the House do not accept the Vice-President of the Executive Council as a man of consistency. He has informed us that his "abandonment" by the leader was that he deserted without a moment's notice to land himself in the honorable and honorable position in which he finds himself. It is a most pitiable position that a Minister of the Crown should find in his place in this Chamber and his statements of that kind, knowing, as we do, what proof we have in the public mind of the falsity of his statements. The honorable gentleman held a meeting in his constituency only a few weeks before the fray which has landed him in his present position, and that meeting was held in conjunction with the leader by whom he has been so curiously "abandoned." At that time, the honorable gentleman said that the fiscal question was sunk, and he hoped for ever, and further that the only menace the country had to fear was the honorable members who have just landed him to the echo. At that meeting, moreover, the then Prime Minister, and the leader of the party to which I have the honour to belong, said—

Personally considered it to be an honour to be associated with such men as Sir George Turner and Alfred Deakin; they had agreed to a truce in politics as in private life the keeping of a promise was a matter of personal honour.

Then, as if in echo to that statement, the honorable gentleman who has just addressed the House, said—

Mr. Reid proposed a fiscal truce, he said that he would faithfully and honorably keep it out, and he was confident that he would use it as an opportunity to tomahawk the Protectionist Party.

The honorable gentleman has just tried to make us believe that the only thing which has landed him into his present lucrative posi-

tion, was the fear that his great leader, at that time, was going to try to tomahawk the Protectionist Party! The honorable gentleman went on to express a hope that the Federal political alliance would last, and he said—

The fiscal question ought never to have divided up the parties, and he hoped it would never again do so, and separate him from men of the intellectuality, ability, integrity, and high personal character of their guest of that evening.

When the honorable gentleman gets up in his place here and says such things as those to which we have just listened, about people whom only a year ago he described as possessed of all the virtues, I should say we have about reached the dregs of political controversy. I have just been reminded that this same honorable gentleman presented my honorable leader with his portrait in oils.

Mr. JOSEPH COOK.—The honorable gentleman was specially selected to make the presentation in the Town Hall, Sydney.

Mr. EWING.—This is the first I have heard of it. Was it my portrait or Mr. Reid's portrait?

Mr. JOSEPH COOK.—The honorable gentleman presented Mr. Reid with his own portrait in the Town Hall, Sydney.

Mr. KELLY.—To show honorable members that the press of his own constituency, that had all his life supported the honorable gentleman, did not lose sight of the iniquity of his conduct in betraying his late leader, I may say that the *Northern Star* writes of the Vice-President of the Executive Council in the following terms:—

Mr. Thomas Thompson Ewing deserves a paragraph all to himself because, like his leader, Mr. Deakin, he threw over Mr. Reid and his anti-socialistic principles without an instant's warning when the time appeared most ripe.

Mr. DEAKIN.—The right honorable member for East Sydney, without an instant's warning, threw over the people with whom he was in alliance.

Mr. KELLY.—If the Prime Minister desires an impartial opinion of his conduct I shall quote the labour press upon his actions.

Mr. DEAKIN.—I am glad to hear that the honorable members think that an impartial opinion.

Mr. KELLY.—Those impartial judges have given expression to statements concerning the honorable and learned gentleman of a kind which justify the assertion that there has never been such an indictment of a public man uttered in the Commonwealth.

Mr. DEAKIN.—Except by honorable members opposite; I think they are very good rivals in respect of violent abuse.

Mr. KELLY.—Not at all; we have never said anything nearly so strong as the labour press has said about the Prime Minister's action in wrecking the late coalition.

Mr. DEAKIN.—Yours may not weigh as much, but were meant to be as strong.

Mr. KELLY.—The *Northern Star* further said of the Vice-President of the Executive Council—

There are many who expected better things from the member for the Richmond. Less than a month ago Mr. Ewing joined the Council of the Anti-Socialistic League; less than a fortnight ago he was busy forming branches of the league in the northern rivers. Now he has taken office in a minority Ministry, which can only exist by, and with the co-operation of, the very party he pledged himself a few weeks since to strive to exterminate.

That is the Vice-President of the Executive Council, to whose diatribe we have just listened! It is somewhat difficult nowadays to get any answer from members of the Ministry, but I have to-night only a few questions to ask. The deputy-leader of the Opposition referred to the trip made by the Treasurer to England, and I desire to express my sense of gratification at the right honorable gentleman's action. He was able to go to England for a considerable period, and it reflects great credit upon the officers of his Department that his absence should not have been felt. The right honorable gentleman proceeded to England to gain information in connexion with the consolidation of the States debts. Although the ground may to some extent have been cut from under his feet by the report prepared by Mr. Coghlan on the subject, I still think he did much good while in England in advertising Australia, and in correcting many of the false impressions of the Commonwealth that were prevalent there. He had not been a month in the mother country before every one knew that somewhere in these Southern Seas there was a land flowing with milk and honey, and the works of the right honorable gentleman. In advertising Australia the right honorable gentleman did signal service during the recess. Two things which he did in England reflect very great credit upon him. In the first place the right honorable gentleman delivered an outspoken address against the Commonwealth policy of borrowing. No

one has spoken in England so openly on that subject as did the Treasurer.

Sir JOHN FORREST.—I said that we were not extravagant, and it was a proof that we were a careful people, because we had not borrowed anything yet; I did not say that we were not going to borrow.

Mr. KELLY.—The right honorable gentleman took credit for the fact that the Commonwealth had never borrowed anything.

Sir JOHN FORREST.—I said that the Commonwealth had been in existence for five years, and the fact that in that time we had never borrowed anything showed that we were not a reckless people.

Mr. KELLY.—The right honorable gentleman's remarks in this connexion evoked greater cheering than anything else he said, and I hope now that he has got away from that cheering he will put into operation his great principles, and will recognise that the Commonwealth should not borrow money, even for the construction of a railway which will cost many millions.

Sir JOHN FORREST.—I advocated the construction of the railway in the very same speech.

Mr. KELLY.—I do not think that the right honorable gentleman explained that its construction would involve an expenditure which could only be met by the borrowing of £3,000,000 or £4,000,000. Another matter upon which I must congratulate the right honorable gentleman was his steadfast advocacy of the principle underlying the Naval Agreement. A considerable amount of intriguing was going on for the purpose of representing the whole of the Commonwealth of Australia as being anxious to create an Australian Navy. The right honorable gentleman, who was known to every one in England as Treasurer of the Commonwealth, and one of our leading public men, threw himself into the fray in a most courageous spirit, and did such work that the Navy League elected him a vice-president. Addresses were presented to the right honorable gentleman in which his actions were highly commended, and I am aware from my own knowledge that his action in this regard did more than anything else to counteract the intrigues in favour of an Australian Navy then going on in London. For this the right honorable gentleman deserves the thanks of the House. I believe that the Treasurer will admit the necessity for the presentation of some report on the question

consolidation of States debts, and give us an opportunity of discussing the question as one which is likely to be of importance at the next election. With the best token of my appreciation, I pass the Treasurer to the Postal Department. Although Federation has been in force for six years, very little has been done to co-ordinate the postal services of the States. There will have in each of the States different stamps and a different system of postage in every way. In addition to that, the postages are not uniform. There are different denominations of stamps in different States. I suggest to the Department that all its efforts should be directed towards co-ordinating these services and arranging for uniform denominations of stamps so that wherever one goes in Australia one may be able to obtain stamps that one requires.

MR. PAGE.—Does the honorable member mean a uniform penny postage system? MR. KELLY.—I do not think that that is possible at present. But a Commonwealth of stamps, with uniform denominations, is not an impossibility. Let me give an instance of the present lack of method. Honorable members are well aware that a stamp is in some States extended. But in other States of Victoria there is no 1½d. stamp. In South Wales we have denominations which Victoria has not, and Victoria has denominations which we have not. I think that the same denominations of stamps should be obtainable in all the States.

I must refer to one other point in connection with the Post Office. We learn from this evening's newspaper that a combination of shipping companies has tendered for the Commonwealth mail contract. I understand that that contract is to be laid before the House at an early date. A combination of any kind is penalized by the Anti-Trust Act.

MR. KENNEDY. — Not a combination of companies. A combination *per se* is not penalized.

MR. KELLY. — My honorable friend has given quite a different reading to the Australian Industries Preservation Bill than that which a number of people in Australia, who are fortified by legal knowledge, give to it. They believe that the Bill, as framed, penalizes every combination, good or bad, and for whatever purpose it is formed, providing that it is con-

cerned with trade and commerce. I wish to deal with one or two other matters concerning which I hope to have the support of the honorable member for Corio, and of the Minister representing the Defence Department. Owing to the action of Parliament in regard to pensions in the Defence service, a number of hardships have arisen. I will give an example. Here is the case of a driver who was seriously injured whilst in the exercise of his duty. This driver is a young man, who will never be fit for work again. In my opinion he ought to obtain adequate monetary compensation.

MR. CROUCH.—Was he injured whilst on duty?

MR. KELLY.—Yes; during manœuvres in the National Park, Sydney. The utmost which that man can get under the regulations is the paltry sum of £270 odd. How long would that sum suffice to keep a young man who is crippled for life?

MR. HUME COOK.—Can he do nothing at all?

MR. KELLY.—Absolutely nothing. I have written to the Department about the case, and have received a letter which I will read.

MR. CROUCH.—It is an act of meanness.

MR. KELLY.—It is an act which reflects the greatest discredit upon this Parliament, or whoever is responsible for the regulations. The following is the letter which I have received in reference to the case:—

With reference to your enquiry in *re* ex-Driver Fay, I beg to inform you that the Medical Board have reported further on his case, and the Minister has now approved of payment being made to him of £185 16s. 2d., which, with the £92 18s. 1d. already paid, makes up all that he can receive under the Regulations.

The Department has paid to him the maximum sum under the regulations, so admitting the truth of what I am saying.

MR. HUME COOK.—Has the honorable member asked the Department to make a special grant?

MR. KELLY.—I asked the Minister only yesterday.

MR. CROUCH.—When I asked that these regulations should be considered by the House, the honorable member for Wentworth was one of the principal opponents of the motion.

MR. KELLY.—No one knows better than the honorable member that that is not so.

MR. CROUCH.—But it is so.

MR. KELLY.—I was discussing this question with the Minister only yesterday.

Mr. PAGE. — The regulations were brought under the notice of the House last session.

Mr. KELLY.—I beg to differ from the honorable member with regard to that. My views are in the pages of *Hansard*, and every honorable member who is interested can read them.

Mr. PAGE.—It does not matter what reasons the honorable member gave; he opposed the consideration of the regulations.

Mr. KELLY.—My reading of the motion then submitted, and what it was intended to do, are all on the pages of *Hansard*, so that he who runs may read. They are open to consideration by my constituents, as well as to any one else who cares to look at them. When I discussed the case of this cripple with the Minister yesterday, he suggested that when the money paid to him had run out the Department should again be approached, when he hoped that something would be done. The Minister was willing to stretch a point as far as he could. But the view which I put to honorable members is that here is an injured man who is practically eating up day by day his life's substance. He knows that when the sum of money granted to him is exhausted he must starve. No one who has served a public department well deserves such treatment as that. I suggest that an alteration of the regulations is necessary to meet exceptional cases of this kind.

Mr. CROUCH.—There was an injured man who was offered 30s. by the Department twelve months ago—a week's wages; and he has not got it yet.

Mr. KELLY.—It is a disgraceful state of things. Here is a poor man, without any one to help him, and he cannot get adequate recognition from the Department. But if a retired soldier happens to be a colonel, instead of a man from the ranks, this Government takes a great interest in his welfare. I am referring to the case of Colonel Price. I say without the slightest fear of contradiction, that, as shown in that case, a colonel can manage to get a Government to introduce a Bill for his special benefit.

Sir JOHN FORREST.—Colonel Price got nothing.

Mr. KELLY.—But the Government took up his case, and brought in a special measure to meet it. I do not want a special Act of Parliament to deal with individual cases

of this kind. What I ask is that there not be charity doles, but that there shall be a right for a man who has been injured whilst engaged in public service to proper compensation. I ask for that behalf of all grades of the service. I do not mention another case, that is not the case of four with the one that I have just dealt with. There are several men in the same position as this latter. I have before me the case of a man who has served 33 years and 275 days. He is in the possession of several exemplary discharges, a meritorious record, and every recommendation a man could have, and yet, after having served his country nearly thirty-four years, he is now, at the evening of his life, turned out to starve.

Mr. PAGE.—What was his rank?

Mr. KELLY.—He was a barrack sergeant. As a gunner, he served 169 days; as a bombardier, 310 days; as corporal, 1 year and 305 days; as sergeant, 10 years and 37 days; as sergeant-major, 7 years and 198 days; and as barrack sergeant, 7 years and 351 days. He is a barrack sergeant Walsh, and I believe his age is 60.

Mr. CROUCH.—Where does he come from?

Mr. KELLY.—He will, under the present distribution, be no longer a constituent of the mine; he comes from Sydney.

Mr. CROUCH.—I knew a Sergeant-Walsh.

Mr. KELLY.—That is the man I am referring to. There are several other similar instances. All this points to the necessity for some sort of pension scheme in the service, whether it be a scheme absolutely maintained by Parliament, or a scheme started by the Government, and automatically carried out by the Department.

Mr. PAGE.—I do not believe in pensions.

Mr. FISHER.—Pass an old-age pension scheme, and let them all have old-age pensions.

Mr. KELLY.—This and other similar cases deserve attention. This man has given as honorable service as it is possible to give, and it reflects gravely on the Commonwealth that such a man should be turned out to starve in the evening of his life.

Mr. CROUCH.—He received £5 per week as sergeant-major.

Mr. KELLY.—Yes, but I think, that I am not sure, that under the State pension scheme such men—and I do not say they

altogether not to blame—looked vaguely forward to some sort of retiring allowance.

Mr. CROUCH.—He received £5 per week as sergeant-major for over fifteen years.

Mr. KELLY.—He received a fair salary, and gave good service for it. This case is on a different footing to that of Driver Fay.

Mr. PAGE.—Fay ought to have a pension.

Mr. KELLY.—There is no doubt about that. It is my strong conviction that we should, as far as possible, arrange for an automatic system of pensions, if Parliament will not grant a pension on the ordinary Imperial scale. There are one or two further points I propose to deal with in reference to the Defence Department—matters of administration solely, for I would not, of course, touch now on questions of policy. During recess, I understand that one of the days which should have been occupied in training by the field artillery, was occupied in giving a sort of display at a show in Sydney; and I do not think that is right. Artillery work is a highly technical art; and it is our laudable ambition to train up a citizen soldiery to be an absolutely serviceable field artillery. Every day of service should be used in service, and not in mere display. I merely ask the Minister to see that this sort of thing does not occur again, because it is not right, and will undermine the efficiency of the service if it is allowed to go on. I make these suggestions in all friendliness, because—I do not care which Government is in power—I am sure our only desire is to see the Department properly managed; and we hope that this, at any rate, will be one Department free from party influences. Every one who has studied the question knows that, for some reason or other, there is the gravest lack of confidence right through every rank. Everywhere we see a spirit of unrest among officers and men alike. We have seen officers resigning and giving up the sword for the ploughshare.

Mr. PAGE.—A very laudable object.

Mr. KELLY.—Perhaps if we had more ploughshares we should not need so many swords. At the same time, one of the best officers we ever had in the service has given it up in disgust. He may be wrong or he may be right.

Mr. PAGE.—It is only the best men who will resign.

[21]

Mr. KELLY.—This matter is well worth the serious attention of the Department, and the state of affairs ought to be remedied. I suggest that the best way is for the Department to act absolutely loyally in regard to the regulations. Make liberal regulations, if you like, but let officers and men know that the administration will be as loyally carried on under those regulations as is the civil service under its regulations. Having made the regulations, let the Department administer them in spirit as well as in letter. There are only two other matters to which I wish to refer. Quite recently a number of "kites" have been flown, especially in the Melbourne press, in reference to a change in the Defence administration. I hope these are only "kites," as I believe them to be. One newspaper, at any rate, has been pretty confidently stating that it is proposed, in appointing a new Inspector-General, to give him a seat on the Board.

Mr. CROUCH.—That appeared in the Sydney *Daily Telegraph*.

Mr. KELLY.—If it did, it also appeared in the Melbourne *Age*.

Mr. PAGE.—The newspapers are about right.

Mr. KELLY.—If the statement is right, the change will undermine the very principle of the Defence Act, which is that the Inspector-General shall be an independent man reporting to other independent men. If the Inspector-General is going to report to himself, what chance have we of knowing that his inspection has been honestly made, seeing that we have no means to check him? I sincerely hope that no such action will be taken as that which is foreshadowed in certain quarters. I regret that the gentleman who so brilliantly entertained us a few moments ago is not in his place; but I should like to know from the Minister representing the Minister of Defence, why it is that we have not had reports, as it was intended we should, from the members of the Military Board?

Mr. CROUCH.—Members received the report during recess.

Mr. KELLY.—There is a report signed by Senator Playford as President of the Board; but there is no report from the military members of the Board. The honorable member for Corio will see the point at which I am driving when I remind him that the Naval Director, who is in an equivalent position to that of the Military Board—he is the Naval Board—

has signed his report to this House, whereas the military members of the Military Board have not signed their report.

Mr. CROUCH.—The report is signed by the President in his corporate capacity.

Mr. KELLY.—Then why did the Minister not sign the report of the Naval Board?

Mr. CROUCH.—I suppose he did not choose to do so.

Mr. KELLY.—Both Boards are on exactly the same footing. Has the Minister written his own report, or has he merely signed the report of the officers? That is a very pertinent and fair question. The Minister should take this matter into consideration, and even if he does not think the reports of the Military Board are worth printing, he might well allow them to be placed on the table of the library in the near future. I do not wish to take further advantage of the opportunity to discuss these questions this evening. I regret that I have had to occupy the attention of the Committee for some time in bringing them forward, but feel sure that those who take an intelligent interest in them will recognise that there is considerable force in the points I have raised.

Mr. KENNEDY (Moir) [10.53].—I should not have attempted to detain the Committee at this stage, but for certain statements made by the deputy leader of the Opposition as to the possibility of Australia going, so to speak, to perdition under the present Administration. The honorable member took up some time in explaining the differences between himself and the Labour Party, and treated the Committee to an electioneering address. His speech was permeated with the fear of the Opposition that there is a possibility of a straight-out fight taking place between them and the supporters of the Government at the next general election. It is all very well for the deputy leader of the Opposition to endeavour to arouse jealousy and friction, but I shall not attempt to read ancient history, nor to indulge in recrimination. The honorable gentleman made accusations against Ministers, and asserted that they had done that for which they had no warrant from the country. He declared that they were not in a position to remain in possession of the Treasury benches. We may well ask ourselves whether the Opposition would allow the Government to remain in office another day if they had the numbers necessary to oust them. It was only

yesterday that a former colleague of the leader of the Opposition publicly denied that he was under his leadership, and that being so, it ill becomes the deputy leader to accuse the Government of having two parties behind them. It is evident that honorable members opposite fear that at the next general election we shall have a straight-out fight between the Government and the Opposition, instead of a triangular duel such as we have witnessed in the past.

Mr. McWILLIAMS.—Is there only one party sitting behind the Government?

Mr. KENNEDY.—The honorable member will know all about that in due time. The honorable member for Parramatta condemned the Government for having failed to announce their policy for the next Parliament. It is only a few days since the leader of the Opposition complained that the programme announced by the Ministry was altogether too elaborate, and I should like honorable members to say whether we could have had a plainer statement of the intentions of the Ministry than was made by the Prime Minister on the motion for the adoption of the Address-in-Reply. The deputy leader of the Opposition was clamouring—

Mr. JOSEPH COOK.—It was the honorable member for Bland who was clamouring; I merely quoted him.

Mr. KENNEDY.—The leader of the Opposition and those sitting behind him are always seeking to start a fresh hare. In view of the fact that they have told us repeatedly that the trade and commerce of Australia are going to perdition, I should like to point to a return published yesterday by the Customs Department, in relation to the State of Victoria. Unfortunately I have been unable to secure the statistics for the other States in time to quote them this evening, but it is interesting to learn that the exports of Victoria, during the first five months of this year, show an increase, as compared with those for the corresponding period of 1905, of no less than £3,700,000. Does that suggest that we are going to ruin. It has also been urged by the Opposition that the Commerce Act will have a serious effect upon our trade.

Mr. JOHNSON.—What about the mangled industries of Victoria?

Mr. KENNEDY.—Let us deal with one question at a time. Complaint has been made that the Prime Minister neglected to announce the intentions of the Government with respect to the imposition of a land tax.

Mr. WILSON.—Have we not a right to know something about their intentions in that regard?

Mr. KENNEDY.—Certainly, and no doubt the Opposition will have a full statement of the intentions of the Ministry at the approaching general election. We know, however, that the Prime Minister has no intention of introducing land tax proposals during the present session. We have been told that it is impossible to administer the Commerce Act—that it will seriously damage the trade of Australia—and reference has been made on more than one occasion to the likelihood of its having a very damaging effect upon the butter industry. During the last ten days I have been attending a conference of the Co-operative Dairymen's Society of Victoria, which exports a considerable quantity of butter. We have a State law relating to the conditions under which butter may be exported from Victoria, and the conference to which I refer was called to discuss the draft regulations under the Commerce Act, and to interview the Minister. I think that the honorable member for Echuca will bear out my statement that the discussion showed that there was very little difference between the representatives of the butter industry of Victoria and the Minister. In Victoria we have made an attempt to market our butter on co-operative principles, and I hope that that system will soon prevail throughout Australia. Producers are marketing their butter without the intervention of middle men.

Mr. JOHNSON.—The Australian Industries Preservation Bill will apply to them.

Mr. KENNEDY.—It will not affect them. It is idle for the honorable member to attempt to scare me. I am in the business, and have no fear in that regard. A Victorian Act compels the inspection of butter before it can be put on board ship for export, and under that Act butter is graded in two classes.

The CHAIRMAN.—Do I understand that the honorable member is discussing the Australian Industries Preservation Bill?

Mr. KENNEDY.—No. It has been stated that there is a possibility of the Customs Department taking certain action under the Commerce Act, and, as the Bill makes provision for the administration of that Department, I hold that I am entitled to discuss the matter. It has been said by some that it is undesirable to place

a grade stamp on butter exported from Australia. But, strangely enough, although there has been no compulsory branding under the Victorian Act, during the past year a grade stamp has been placed on 90 per cent. of the butter exported from the State, and no complaint has arisen therefrom. At the same time, it is only fair to those engaged in the trade to say that the consent to use the grade stamp was obtained under a misunderstanding. Apparently, the Customs Department do not ask that any mark be placed on the butter-boxes other than that required to be placed there by the laws of the State, though it requires to be informed of the quality of the butter proposed to be exported.

Mr. WILKS.—Is not the branding of the butter a farce? Are not the brands removed when the butter gets to the old country?

Mr. KENNEDY.—That is an evil which can be remedied. The honorable member, no doubt, is aware that legislation is now being passed in Great Britain to regulate the importation of food stuffs, and especially of butter. As I understood the reply of the Minister to those engaged in this business, all he requires is that a stamp shall be placed on their produce, showing what it is; and he is prepared to allow a certificate, testifying to the quality of the butter, to be supplied to the Department, and to be available for inspection if asked for where the butter is sold. I feel sure that the Minister has had too much experience to neglect the representations made to him, and that he will not do anything to damage this industry. It has been continually stated in this Chamber that the legislation of this Parliament has been directed towards the injury of the trade and commerce of Australia; but we have actual proof that such is not the case, and I trust that those statements will not be repeated. In my opinion, if the Acts placed on the statute-book are administered reasonably, and according to the dictates of common sense, the producers of Australia will have nothing to fear from them.

Mr. TUDOR (Yarra) [11.5].—When last year's Estimates were under discussion, I pointed out that the amount set down for the payment of increments to certain postal officials in Victoria would be insufficient to meet the whole of the claims, and I have been informed since that less

than one-half of those entitled to increments have received them. These increments were for officers receiving over £160 a year, the greatest percentage of those who have not been paid being in the fourth class. I have risen to ask the Treasurer to see that, in regard to future payments, all officers will be treated alike, so that none may be called upon to suffer any particular injustice, and no anomalies shall be treated.

Mr. PAGE (Maranoa) [11.7].—In my opinion, the administration of the Defence Department should be looked into. If, as rumour has it, Colonel Hoad is to be made Inspector-General of the Forces of the Commonwealth, I shall proclaim the appointment to be nothing more nor less than a scandal. For a position like that, we should obtain the services of the most capable man available.

Mr. McWILLIAMS.—Wherever he can be got.

Mr. PAGE.—Yes. Militarism is a progressive science. As I have mentioned before, I spent fifteen months at Shoeburyness, twenty-two or twenty-three years ago, in going through a course of gunnery instruction, and, although my education cost the British Government something like £160, I found, on visiting the forts at Queenscliff recently, that I knew as little about the manning of the guns there as the rawest recruit. The honorable member for Wentworth pointed out to-night that the artillery arm is the scientific branch of the service, and I suggest that, in exchanging officers with other parts of the British Dominions, we should insist upon getting artillery and engineer officers. The Australian cavalryman is second to none in the British Dominions. I make that statement on the strength of some notes of a Conference of cavalry officers held in Great Britain, which were lent to me by the Inspector-General. Those officers declared that our cavalryman is perfect, and that they are sorry that the Imperial cavalryman is not equally effective and satisfactory. Then, with regard to the infantry, their evolutions and mode of attack are easily learned in books, or from special service officers. It is, however, useless to appropriate only £600 a year for the training of our officers abroad. However anxious an officer might be to learn, it would be impossible for him to obtain, in the course of a few months, any knowledge likely to be

of service to Australia. In paying £600, I would vote to secure the efficiency of our forces because therein lies the secret of a successful organization of our forces. regards the appointment of an Imperial General, there is no one who values an Australian officer more than I do. I believe in having Australian officers in the Australian Army, because they possess the Australian sentiment. I am not going to allow them to run away with my good sense. We are going to have a Defence Force. We should have the best man possible for a commanding officer, and pay him a good salary. There is no man in the Commonwealth to-day occupying a high position in the army who is fit to command the Australian Army. If it were to be called out, we should have to import an Imperial officer from either old country or India. What officers occupying positions here to-day have had the benefit of the experience which Imperial officers have had in India? I would point out to the Minister of Defence that it is not use to pitch a feather-bed soldier in a position, where we want a man to whom we can look up, and of whom we can be proud. "Well, if the time ever does come, who is the man who can command our army? We do not want a man who has used his position to attain his position. We do not want frill and finery, but a man who is a capable soldier.

Mr. WILKS.—We cannot use the Imperial Army for Australia, then.

Mr. PAGE.—No; it is too thin. The day comes to put our Army in the field. We should have a man fit to command. Let me give an instance. In Queensland, three months ago, they had to call out to give them general service companies. There were about 2,000 men, and they were only a few miles from Brisbane. They were not fit to organize the army. During one-half of the time, the men were without food and blankets. What was the state of affairs? The defence vote amounts to £700,000 a year, but in a sham affair, a few miles from Brisbane, they had to borrow the grocer's cart for provisions, but to commandeer the army. And this in peace time!

Mr. CROUCH.—Who is the State Commandant? He is responsible, surely.

Mr. PAGE.—I do not wish to say anything about the State Commandant.

a point about that man, and the Minister of Defence got a report from Major-General Finn, who said that he is a competent officer. If the General Officer Commanding makes that statement, it is not for me to cavil at it. The Minister acted upon the recommendation, and I, as a good soldier, will obey the superior officer.

CROUCH.—Was he in charge at the time of this lack of the commissariat?

PAGE.—Of course he was. It goes to show that we are not getting the best service. If the Forces had to be put into the hands of the first department which would be put down would be the commissariat. Can we expect men to fight if we do not have them? I earnestly hope that the Minister will not be led into a *cul-de-sac* by appointing a mere figure-head as the Inspector-General. If he is to be a member of the staff, it means that he will go there to assist upon his own work.

WILKS.—What does the honorable member think of that system?

PAGE.—I thought that we were going to get some good out of the system. It was introduced by the honorable member for Corinella, but the more I see of it the more rotten I think it is. It casts authority from one person to another, and it is almost impossible, in many cases, to fix responsibility. If we made a mistake what is the best means of remedying it? My advice is to abolish the board and make the Commanding Officer responsible, getting, of course, the best man we can possibly get.

WILKS.—We want less appeal to the Government and more discipline.

PAGE.—I do not believe in bringing before Parliament every grievance that there is, because I know that it interferes with discipline. In many instances the Government refrained from ventilating personal grievances here, and in each case the Minister has remedied the trouble. On the other hand, if a grievance cannot be remedied in that quarter, Parliament is the proper body to appeal to as the last resort. In the interests of good order and discipline, however, we should keep these grievances out of Parliament as much as possible. I have no more to say about the subject for to-night. But I wish to issue this warning note to the Government, unless they are careful in the selection of their Inspector-General, they will find that they have raised a house of cards which will fall down, with possibly disas-

trous results. I wish to say a few words with regard to the pensioning of the gunner or driver mentioned by the honorable member for Wentworth. It is the essence of meanness on the part of the Government if a man is, in the course of duty, disabled for life that they do not look after him. The British Government would not so act to the worst men or the lowest-paid men in the service. If a man gets injured in the Imperial service, whether in peace time or active service, he gets a pension according to schedule. I believe that there should be drawn up a schedule of pensions to be paid to officers and men in the service who have been maimed or injured. Every one would then know what he was going to get if injured. The idea of turning out a young man with £272 to the mercy of the world is preposterous. Sixteen years ago, when I was a sub-contractor, one of my men was hurt, and to-day I am keeping him, simply because he got injured in my service. Should not the Government do the same as a private employer is willing to do? I think it should. If no provision is made for this gunner to be pensioned, the regulations should be altered so that a pension may be granted to him. I wish now to speak on the question of trunk telephones, and I hope to have the support of every country member. We have heard a great deal the other night about this Government, and I interjected that it was the only Government in Australia which had given the country the square deal that the towns and suburbs got. I am now going to put it to a practical test. In western Queensland many stations are connected with the telephone exchange in the town by some hundreds of miles of telephone. When the regulations were drawn out I had no idea that a line was going to cost the sum which the engineers computed, that is to say, a copper line for telephone use, with return metallic circuit. I have no doubt that the charges are all right. But what I want the Postmaster-General to do is to give the lines which are worked by the condenser system a chance of yielding a fair return. Take, for instance, the line from Gympie to Brisbane. The trunk rates were computed on the assumption that it would cost £4,000. Instead of the line costing £4,000, the expenditure amounted to only about £200 or £300. Yet the charges have been based upon the estimate of higher cost. I think that that is unfair. My

constituents do not ask to be let off altogether, but they ask for a reduction of the rates. They do not ask that the charges should be reduced on the direct line, but that they should be relieved to an extent corresponding with the low cost of the service. I shall be satisfied if the Minister will give his consideration to this matter, and make some announcement in regard to it when the Estimates are under consideration. Many of my constituents have written to me, and I have been in communication with the Department for several months on the subject. I should like the Prime Minister to furnish an answer to the question I asked on Friday last in regard to that memorable speech that was made by Colonel Riccardo, in December last.

Mr. WILKS.—What about the leader in the *Argus*?

Mr. PAGE.—If the gentleman who wrote that leader only knew it, he has done me a great service. I bought 100 copies of the *Argus* and sent them to various persons in my electorate. I do not care what they say about me, so long as it is the truth. The *Age* does not tell the truth, but misrepresents the facts. One has only to read what appears in that newspaper this morning with reference to the Chairman, and the suggestion that his salary, as Chairman, will go to swell the funds of the Labour caucus.

Mr. WILKS.—Have not the party started to divide it already?

Mr. PAGE.—We are not going to tell the *Age* what we intend to do. Nothing that the *Age* or *Argus* can say will influence a single vote in my electorate.

Mr. WILKS.—Why did the honorable member send copies of the *Argus* to some of his constituents?

Mr. PAGE.—To let them see that their representative was doing his duty.

Mr. EWING (Richmond—Vice-President of the Executive Council) [11.24].—I can furnish an answer to the question of the honorable member with reference to the statement alleged to have been made by Colonel Riccardo, the District Commandant for Victoria, to the effect that he was first of all the servant of the State, and, secondly, the servant of the Commonwealth. The Minister of Defence informs me that having seen the report of Colonel Riccardo's remarks, he asked for an explanation. Colonel Riccardo stated in general terms that he never intended to say anything of

the kind, and that he must have been misunderstood. The Minister was not satisfied with this, and asked Colonel Riccardo to definitely state whether or not he made the statements attributed to him. He then received from Colonel Riccardo a definite denial that he had made the statements.

Mr. PAGE.—Several gentlemen told me that he did make the remarks attributed to him.

Mr. EWING.—I am only indicating what the papers disclose.

Mr. PAGE.—What about an inquiry?

Mr. EWING.—I trust that the honorable member will not suggest anything of the kind.

Mr. HENRY WILLIS (Robertson) [11.26].—I wish to direct the attention of the Minister representing the Minister of Defence to the difficulty which is experienced in obtaining rifle ranges in my electorate. I can get no satisfaction out of the Department.

Mr. EWING.—Will the honorable member send me a note upon the subject?

Mr. HENRY WILLIS.—It is of no use writing to the Department.

Mr. EWING.—Then write to me.

Mr. HENRY WILLIS.—It is of no use writing to the Minister. It is about time that Parliament paid some attention to the wants of rifle clubs. In various places there are men who desire to band themselves together as members of rifle clubs, in order to practice rifle shooting, but no effort is made to provide them with a range. In two or three places in my electorate the riflemen cannot obtain a range, because the Department will do nothing in the matter. An inspector was sent round the country, and sites were pointed out to him, but nothing further was done. I should like to read a letter which bears on the subject. It reads as follows:—

I am directed to inform you that in all cases where it is desired to form rifle clubs, and no rifle range exists in the neighbourhood, it is necessary for the persons who wish to form the club to make all the requisite arrangements for the range, and then, if the site is approved of, a grant of £20 will be made.

In the case to which I refer, at Rylstone, the riflemen are unable to make any arrangement for a range, because the land will first have to be purchased. If it is desired to encourage rifle clubs, and to train riflemen, some effort should be made to provide ranges.

Mr. DEAKIN.—Hear, hear.

Mr. HENRY WILLIS.—If the Prime Minister will endeavour to see that these men are provided with a range, I shall be satisfied. I might refer to two or three other cases which are not quite so bad as the one I have mentioned. A rifle range is also required at Hill End.

Sir JOHN FORREST.—What would be the cost of providing a rifle range?

Mr. HENRY WILLIS.—I do not think that any money would be required if some energy were used by the Department. If they sent an officer to the district they might be able to procure the land for nothing, whereas the local residents would have to pay for it.

Mr. WILSON (Corangamite) [11.29].—I should like to say a few words with regard to a matter that was referred to by the honorable member for Wentworth, namely, the necessity for providing some system of compensation or pensions for men who are injured whilst serving in the Defence Forces—a system that would apply to men in all grades of the service. In this connexion I should again like to mention the case of Colonel Price. I desire to know whether the Prime Minister has any intention of proposing, during the current session, that any compensation shall be granted to that officer?

Mr. DEAKIN (Ballarat—Minister of External Affairs) [11.31].—I may inform the honorable member that that question is one which I had hoped would have been reached at the Cabinet meeting to-day. It will be reached at an early Cabinet meeting.

Mr. BROWN (Canobolas) [11.32].—There is just one matter that I should like to emphasize. It has reference to the overtime worked by officials in the General Post Office, Sydney. I hope that the instruction which has recently been issued, to the effect that they shall not be allowed tea money unless they work until 10 p.m., will be withdrawn. Another question to which I wish to direct attention relates to the payment of increments to officers in that Department. Upon the Estimates of last year a certain sum was provided for this purpose. That sum has been distributed, but its distribution has caused considerable dissatisfaction. It has practically been allocated to the highly-paid officers.

Sir JOHN FORREST.—We are rectifying that now.

Mr. BROWN.—I contend that a great injustice has consequently been done to the

lower-paid officers of the Department. I also understand that some trouble is being experienced in connexion with the payment of gratuities. I have been informed that the difficulty has been occasioned by certain objections which have been urged by a State Government. I hope that this matter will receive early consideration, and that the gratuities, so far as any proper claims are concerned, will be promptly paid. I regret that the lateness of the hour prevents the question from being adequately discussed, but I trust that the causes of the complaints to which I have referred will be speedily removed.

Sir JOHN FORREST (Swan—Treasurer) [11.33].—In reply to the honorable member for Yarra, I find that the Public Service Commissioner has recommended that the sum of £550 shall be provided for the payment of increments to postal officials in Victoria, and £170 in Tasmania. There has been a difficulty in satisfying these claims, and I am afraid that I have been the chief obstacle to their settlement, inasmuch as I have refused to use the Treasurer's advance for the payment of salaries. In other words, I have declined to acknowledge the Public Service Act as an Appropriation Act. The provision relating to the minimum wage which was inserted in that measure I regard as one to which the Parliament has specially agreed, and have therefore made the necessary payments on the Commissioner's recommendation, from Treasurer's advance. I refuse, however, to use that fund generally for any other increments under the Commonwealth Public Service. Section 78 of the Public Service Act provides—

Nothing in this Act shall authorize the expenditure of any greater sum out of the Consolidated Revenue Fund, by way of payment of any salary, than is from time to time appropriated by the Parliament for the purpose.

It is perfectly clear that it was never intended that that Act should be an Appropriation Act. In the case referred to by the honorable member for Yarra, I have, however, been able to overcome the difficulty. The Commissioner has informed me that he was under a misapprehension, owing to something that the previous Treasurer had told him. I have agreed to the recommendation of the Commissioner, and, upon his assurance that the increments were unintentionally omitted from the Estimates of last year, I have agreed to pay the money at once. In regard to the other matters to

which reference has been made, I think that the best plan for me to follow in dealing with them is to obtain a copy of *Hansard* and send it to the different Departments concerned.

Mr. JOHNSON (Lang) [11.39].—There are one or two matters which I wish to bring under the notice—

An HONORABLE MEMBER. — Why not bring them forward upon another occasion? We want to put this Bill through, so that it may be dealt with by the Senate to-morrow.

Mr. JOHNSON.—I have no desire to put any obstacle in the way of that being done, although in exercising that degree of mercy I shall have to deprive myself of my right to bring forward a number of matters which ought to be ventilated. However, there may possibly be another opportunity to deal with them, and consequently I shall not press them now.

Mr. McWILLIAMS (Franklin) [11.40].—The honorable member for Maranoa has brought under notice a matter relating to our telephone system. The whole trouble seems to be that the Department seeks to apply hard-and-fast regulations, without the slightest consideration for the varying circumstances of different localities. There does seem to have been, in the framing of these regulations, an utter want of common-sense and business knowledge. In my own electorate, as the result of the operation of the regulations, an application made for a telephone exchange in terms which would have given the Department 30 per cent. profit in advance, could not be accepted. The Acting Postmaster-General has kindly consented to go through the papers with me, and I hope that it will be possible to carry out the arrangement. Any attempt to apply to outlying districts a hard-and-fast regulation applicable to cities, must fail absolutely, and a regulation which prevents the Government accepting a proposal from which they would derive a profit of 30 per cent. in advance, should be rescinded.

Mr. JOSEPH COOK (Parramatta) [11.43].—I desire to refer to the absence of a rifle range at Parramatta. The town has over 10,000 inhabitants, there are several companies of militia and lancers there, besides rifle clubs, and they are obliged to go eight miles for their rifle practice. I take leave to say that that is a disgraceful state of things, and I hope that action will be taken to remedy it.

Question resolved in the affirmative.

Resolution reported and adopted.

Motion (by Sir JOHN FORREST) agreed to—

That the Standing Orders be suspended in order to enable all steps to be taken to obtain Supply and to pass a Supply Bill through all its stages without delay.

Resolution of Ways and Means, covering resolution of Supply, adopted.

Ordered—

That Mr. Deakin and Sir John Forrest do prepare and bring in a Bill to carry out the foregoing resolution.

Bill presented and passed through all its stages.

GENERAL ELECTION.

Mr. McCOLL (Echuca) [11.48].—I request that the usual courtesy be extended to the motion I had on for discussion to-day, and that I be permitted to move that the resumption of the debate be an order of the day for this day week. The dinner hour intervening in the discussion, it was impossible to make the necessary arrangements. I move—

That the resumption of the debate on this question (interrupted this day by Government business being called on) be made an order of the day for Thursday next, and that Mr. O'Malley have leave to continue his speech when the debate is resumed.

Question resolved in the affirmative.

House adjourned at 11.49 p.m.

Senate.

Friday, 22 June, 1906.

The PRESIDENT took the chair at 10.30 a.m., and read prayers.

EMINENT DOMAIN BILL.

Bill presented by Senator KEATING, and read a first time.

DESIGNS BILL.

Report adopted.

Motion (by Senator KEATING) agreed to—

That so much of the Standing Orders be suspended as would prevent the Bill from passing through its remaining stage without delay.

Bill read a third time.

METEOROLOGY BILL.

Motion (by Senator KEATING) proposed—
That the report be adopted.

Senator GIVENS (Queensland) [10.33].—In Committee, yesterday, Senator Millen succeeded in getting inserted in clause 3 an amendment providing that not only the Government Meteorologist, but all such officers as may be required, shall be appointed by the Governor-General. Rightly or wrongly, Parliament adopted the system of placing all public servants under the Public Service Commissioner. If we leave the appointments to be made under this Bill entirely in the hands of the Governor-General, every officer of the Department, down to a mere recording clerk, will be outside the jurisdiction of the Public Service Commissioner.

Senator KEATING.—No.

Senator GIVENS.—It is expressly provided in the Bill that the officers shall be appointed by the Governor-General.

Senator KEATING.—All public servants are appointed by the Governor-General, and the provisions of the Public Service Act will apply to the appointments to be made under this Bill.

Senator GIVENS.—Under the Bill, the Governor-General can appoint whom he pleases, without reference to the Public Service Commissioner.

Senator DOBSON. — He does not; he would not.

Senator GIVENS.—It does not matter whether His Excellency does not or would not. The fact remains that the Bill gives him that power.

Senator WALKER.—The term "Governor-General" always means "the Governor-General in Council."

Senator GIVENS. — I contend that in this matter we are going outside the jurisdiction of the Public Service Commissioner. If Parliament thinks it wise to take that step, well and good, but I thought it only right that attention should be called to that phase of the question.

Senator MILLEN (New South Wales) [10.35]. — In moving the amendment, as I did, on the spur of the moment, I certainly had no desire that the appointment of these officers should be taken out of the hands of our properly constituted authority, namely, the Public Service Commissioner. If the effect of the amendment be as suggested, although I do not think it is, I shall certainly join in asking, as I believe the Minister himself would ask, for

an opportunity of remodelling it. But if he, in his reply, can give an assurance that the danger indicated by Senator Givens is an imaginary one, then it will give satisfaction to every one in the Chamber.

Senator KEATING (Tasmania—Honorary Minister) [10.36].—In the Public Service Act we have provided a method for appointments to the Public Service, as well as transfers, dismissals, suspensions, remuneration, and everything of the kind.

Senator GIVENS.—Will that Act apply to appointments to be made under future Acts?

Senator KEATING.—Yes.

Senator GIVENS.—I doubt it.

Senator KEATING.—If the Governor-General proceeds to exercise the power which is given by this Bill, he will act in conformity with the provisions of the Public Service Act and regulations thereunder. He will not go outside those limits. That is the law of the land in regard to appointments to the Public Service. The Bill contains a provision that the Governor-General shall have power to appoint a Government Meteorologist, and in order to overcome any doubt which might exist in the mind of any one as to the provision being intended to be limited to the appointment of a single officer certain words were inserted. To my mind it does not matter much whether they are in the Bill or not, but it certainly assures honorable senators that it is not intended to confine the provisions of the Bill simply to the appointment of one central officer, who shall be dependent upon States services. I would oppose as strenuously as Senator Givens a proposal to give to the Governor-General personally or to the Governor-General in Council the power to appoint any officers to any branch of the Public Service in a way not in accordance with the provisions of the Public Service Act.

Senator MILLEN.—Will the Minister say how the appointment of Government Statistician was made, for that is exactly parallel to this case.

Senator KEATING.—Applications were made for the position.

Senator MILLEN.—To the Public Service Commissioner?

Senator KEATING.—He approved of the appointment before it was made.

Senator TURLEY.—There were a number of applications made.

Senator MILLEN.—Did they go through the hands of the Commissioner?

Senator KEATING.—I understand so.

Senator MILLEN.—I wish to know whether the Government or the Public Service Commissioner dealt with the applications, because the answer will be a guide as to what will happen under this Bill.

Senator KEATING.—I understand that that is the position. I do not anticipate for one moment that this Bill will be at all in conflict with the provisions of the Public Service Act.

Question resolved in the affirmative.

Report adopted.

Motion (by Senator KEATING) proposed—

That so much of the Standing Orders be suspended as would prevent the Bill from passing through its remaining stage without delay.

Senator MILLEN (New South Wales) [10.39].—I take it that the object in moving the suspension of the Standing Orders is to conclude the consideration of the Bill this week in anticipation of an adjournment of the Senate.

Senator KEATING.—To enable the Bill to be dealt with in another place during the period of that adjournment.

Senator MILLEN.—It is anticipated that there will be an adjournment, otherwise there would be no justification for submitting the motion.

Question resolved in the affirmative.

Bill read a third time.

SUPPLY BILL (No. 1).

CASE OF MAJOR CARROLL — PARLIAMENTARY REFRESHMENT ROOMS—POST AND TELEGRAPH DEPARTMENT: SUNDAY WORK—DEFENCE DEPARTMENT: PRESS REPORTS: WIRELESS TELEGRAPHY STATION; INSPECTOR-GENERAL: TASMANIAN FORCES: BANDSMEN: RIFLE TEAM FOR BISLEY: ARMS AND AMMUNITION FACTORY: NAVAL DEFENCE.

Bill received from the House of Representatives.

Motion (by Senator PLAYFORD) proposed—

That the Bill be now read a first time.

Senator Col. NEILD (New South Wales) [10.40].—This is a convenient time for me to utter a few words, which I think are just, to a gentleman whose case was considered by the Senate some time ago, and which I think will be of interest to honorable senators. I refer to the case of Major Carroll, whose troubles were inquired into by a Select Committee of the Senate some two years ago. Being in Queensland re-

cently, I saw something of this officer. He is now engaged as an instructional officer in the Queensland branch of the Defence Force. I not only saw him, but I saw Lieut.-Colonel Rankin, the officer commanding one of the regiments to which Major Carroll is attached for instructional purposes. It will be, I am sure, a satisfaction to the members of the Senate who espoused the cause of Major Carroll in the interest of their view of what was right, to learn that he is spoken of in very high terms indeed by those under whose command he is acting, as doing excellent service, and giving every satisfaction in the position which he has been allotted. I think it is only fair that I should make this statement, because it has very recently come to my notice. I am sure that what I have said will be heard with as much satisfaction by the members of the Chamber as I feel in making the statement.

Question resolved in the affirmative.

Bill read a first time.

Motion (by Senator PLAYFORD) agreed to—

That so much of the Standing Orders be suspended as would prevent the Bill passing through all its stages without delay.

Senator PLAYFORD (South Australia—Minister of Defence) [10.43].—I move—

That the Bill be now read a second time.

There is no necessity for me to make a long speech. It will be remembered that the provision which Parliament made for carrying on the work of the Commonwealth will cease at the end of this month, and that further provision is necessary if we are to pay accounts after that date. This is simply a Bill to enable the Treasurer to pay the expenditure incidental to the month of July. It appropriates the sum of £459,064 for a month's service, or nearly exactly the same amount as was voted last year. It will be sufficient for the purpose. It may be thought by some honorable senators that, as the ordinary public servants are only paid once a month, if we were to pass the Bill towards the end of next month it would be quite sufficient. But the Treasurer informs me that there are a number of persons engaged in the Commonwealth who are paid weekly, and a still greater number who are paid fortnightly, and that therefore it is always necessary to have a Supply Bill passed as early as possible in July, or else the payments could not be made. As I propose to ask the Senate to

turn to the 11th July, the Bill has been introduced at this stage.

Question resolved in the affirmative. I will read a second time.

Committee:

Clause 1 agreed to.

Clauses 2, 3, and 4 postponed.

Schedule.

Senator DOBSON (Tasmania) [10.45].—I wish to ask the Minister of Defence a question with regard to the vote of £80 for parliamentary refreshment-rooms. We had a report last session from the House Committee, stating that there had been a saving of £800 or £900 on the year. I wish to ask whether tenders have been invited, and, if so, what has been the result? I understand that one tender was called for, but were general tenders invited?

Senator PLAYFORD (South Australia) (Minister of Defence) [10.46].—I am not in a position to inform the honorable senator, but possibly there are some members of the House Committee present who will be able to give the information desired. I mention that the amounts set down in the schedule are exactly one-twelfth of the sums voted last year. We are voting on the month's Supply.

Senator FRASER (Victoria) [10.46].—In reply to Senator Dobson's question, I wish to say, as a member of the House Committee, that a private tender was obtained with regard to the refreshment-rooms, but it did not appear to be very satisfactory from an economical point of view. It has now been agreed that public tenders shall be called for. Until they have been received and dealt with, we cannot tell whether we shall be justified in trusting the work to a caterer. If no tender is accepted, some other arrangement will have to be made.

Senator MILLEN (New South Wales) [10.47].—I wish to take this opportunity of saying that I believe the opinion of a large number of Members of Parliament in each branch of the Legislature, I think I may say of the Parliament as a whole, is that it is extremely desirable that the parliamentary refreshment-rooms should be made to pay. Members of Parliament do not wish to have a deficiency which the country is called upon to make good. It is one of those very unpleasant things which create an entirely wrong impression outside, and lead the public to believe that Members of this Parliament are getting perquisites to which

they are not entitled. I believe that every Member of Parliament ought to pay for what he gets at the refreshment-rooms, and I welcome the announcement that the House Committee is endeavouring to devise means to make them self-supporting.

Senator DE LARGIE.—Is there a parliamentary refreshment-room in Australia that is self-supporting?

Senator MILLEN.—I do not know. But I would sooner see the tariff of charges increased than have a deficiency in the accounts of the parliamentary refreshment-rooms, with the result that an impression gets abroad that the members of this Parliament are getting something to which they have no right.

Senator GIVENS.—They can get nothing here for which they do not pay.

Senator MILLEN.—I am quite aware of that.

Senator GIVENS.—And they pay more than they would outside.

Senator MILLEN.—I do not wish to be misunderstood. Perhaps, for the moment, I forgot that my words will be reproduced where my meaning will not be apparent. Therefore, I wish to say quite clearly that no one in this Parliament obtains anything at the parliamentary refreshment-rooms for which he does not pay, and that, in fact, he pays more here than he would have to do outside. Nevertheless, the fact remains that there is a deficiency which the taxpayers have to make good. I recognise gladly that the House Committee is addressing itself seriously to the task, and if no other means can be devised, I suggest that the tariff should be raised until the rooms are enabled to be carried on without loss.

Senator O'KEEFE (Tasmania) [10.50].—I can assure honorable senators that the House Committee, during last session, and at the commencement of this session, has devoted itself seriously to the consideration of the question of the deficiency in the management of the parliamentary refreshment-rooms. The subject has engaged our earnest attention. There is one phase of the matter which has not been mentioned, and which I think is not understood. It appears to me that it will be absolutely impossible to prevent a loss occurring in the management of the refreshment-rooms when we have to keep up a certain staff to provide meals on an average of three and a half days per week, whilst wages have to be paid for the

full week.' So far as concerns the purchase of supplies on the one hand, and the revenue derived from the sale of meals on the other, there would be a credit balance if it were not for the cost of management. The loss is involved in the payment of the cook, the waiters, and the necessary staff. The members of this Parliament may as well make up their minds that so long as the refreshment-rooms are maintained, and so long as we have what I may describe as a teetotal Parliament, or a Parliament a large number of whose members are teetotalers, a loss is bound to occur, for the simple reason that no profit is derived from the bar, which in other circumstances would be one of the largest sources of revenue. Personally, I should be quite satisfied to see them done away with altogether, and let Members of Parliament go outside for their meals. If, however, it is determined to maintain the refreshment-rooms we must make up our minds that there is bound to be a deficiency, and must put up with whatever blame the public casts upon us on account of it. I am convinced that there is no private caterer who, under the circumstances, could prevent a loss occurring.

Senator FRASER.—Under the State Parliament, Mr. Gregory carried on the refreshment-rooms for years without a loss.

Senator O'KEEFE.—If that is so the only explanation can be that under the State Parliament a considerably larger revenue was derived from the sale of liquors at the bar than has been the case during the occupancy of this building by the Federal Parliament.

Senator MILLEN.—What it means is, that so far as the refreshment-rooms are concerned, this Parliament refuses to drink itself solvent!

Senator O'KEEFE.—Let me put the facts to honorable senators. We have to cater for 111 Members of Parliament, only a portion of whom take their meals here. Those members only take their meals here for about half the week; but any caterer would have to pay the wages of the staff for the whole week. The revenue derived from the sale of meals and liquors balances the expenditure, and we should have a credit balance if it were not for the necessity of paying the staff for a whole week when their services are actually required for only one-half the week.

Senator DE LARGIE (Western Australia) [10.55].—As a member of the House

Committee for three or four years, I should like to say that this is a matter that has given us a great deal of trouble. The Committee has done its best to make the ledger balance, but so far has always been unable to do so. Senator Fraser has told us that the State Parliament, when it occupied these buildings, was able to run the refreshment-rooms in a better manner. But as a matter of fact we have in charge of the refreshment-rooms the same manager as the State Parliament had, and he has assured us over and over again, and has given us details in proof, that the State Parliament was actually in a worse position than we have been. The only difference arises from the fact that there was then a larger revenue from the bar than we have been able to secure. We have a very small income from the bar. To that is largely due the fact that we have not been able to make the ledger balance at the end of each session. There is only one way to avoid a debit balance, and that is to shut the place completely down. So long as we maintain the refreshment-rooms there is bound to be a deficit.

Senator FRASER.—I am not at all sure of that.

Senator WALKER.—It shows that a Government cannot run an institution as well as can private enterprise.

Senator DE LARGIE.—The matter has nothing to do with the Government. I am convinced that no private caterer could conduct the business and make a profit out of it. We had a case in point under the State Parliament, which let the rooms to a private caterer who actually ran himself into greater expense than we have done.

Senator O'KEEFE.—What are the New South Wales parliamentary refreshment-rooms costing?

Senator DE LARGIE.—There is not a parliamentary refreshment-room in Australia that is paying. As Senator O'Keefe has mentioned, the trouble is that we only keep the rooms open for three days a week, whereas we have the full expense of maintaining the staff for the seven days. There is no doubt that the rooms would be run at a profit if they were utilized every day in the week. I am convinced that they cannot be conducted better than they have been. Unless we are prepared to make good a deficiency, I can see no alternative but to close the refreshment-rooms. It has been suggested that we should raise the tariff. That has been tried, and it was a

failure. As soon as we raised the tariff many members went elsewhere, and consequently the loss was greater.

Senator STANFORTH SMITH (Western Australia) [10.59].—I think that a discussion like this will have a good effect, because, undoubtedly, there is an impression outside that the Members of this Parliament obtain some perquisites to which they are not entitled by reason of their membership. It is just as well that it should be thoroughly understood that we have to pay for everything which we obtain at exactly the same schedule of prices as any one would pay at an ordinary refreshment house in Melbourne. Senator Walker has asked why we cannot run a parliamentary refreshment-room as well as a private individual could conduct such an establishment? The answer is perfectly obvious. In the first place the two Houses of this Parliament adjourn for dinner at the same time. There are 111 members, or a lesser number, who all want their meals simultaneously. That involves a large staff of waiters being employed. In the second place, only two meals per day are supplied, which makes a great deal of difference in regard to the staff, the waiters being paid so much per meal, instead of being engaged by the week or month. In the third place, as Senator O'Keefe has pointed out, we have meals on only three or three and a half days during the week. These facts dispose absolutely of the suggestion that members of this Parliament obtain some advantage, in view of the fact that the refreshment-rooms are managed at a loss, whereas a private individual could conduct them at a profit.

Senator GRAY.—Was it intended that the refreshment-rooms should earn a profit?

Senator STANFORTH SMITH.—I do not know that it was so intended. The object of the refreshment-rooms is the convenience of members. We have to adjourn for an hour for lunch or dinner, and in the stress and hurry of legislation, it is necessary for us to have rooms close at hand where meals can be obtained. Very few members, I think, devote the whole of the hour to the meals, or to friendly intercourse, because they may have authorities to consult in the Library, or notes to arrange in view of a forthcoming debate. Last year, I understand, the refreshment-rooms showed a loss of something like £800; but I am prepared to say that that

is less than the loss shown under a similar head in most of the States Parliament.

Senator DE LARGIE.—I think the loss is £2,000 per annum in New South Wales.

Senator STANFORTH SMITH.—I think that is so. In the Victorian Parliament, I understand, the extra cost of the refreshment-rooms amounts to something like £1,000 per annum. However, one great reform has been effected in connexion with our own refreshment-rooms. I was not a member of the House Committee at the time, but it was decided to close the rooms altogether during the recess. The keeping of the rooms open at that period of the year was a great source of expense; but, in consequence of the reform I have mentioned, I believe that this year the loss will be reduced by, at any rate, one-half under ordinary circumstances. The question has been asked why the tariff is not raised. But when the tariff was raised on a former occasion, the result of the experiment was that members went elsewhere for their meals. This seems to be a Parliament, the members of which are not only teetotal, but also devoted to plain living and high thinking; and they, wisely, decline to pay a high price for the plain food they require. It has been decided by the House Committee to call for public tenders, under the conditions which obtain here for meals; and when those tenders are received, we shall see whether the rooms have or have not been more extravagantly managed by the Government officials than they can be by private individuals. The Committee were well advised in deciding to call for tenders; and the result will disclose whether, under our exceptional circumstances, the management has been associated with economy and foresight. I should like to point out that the balance-sheet of last year did not disclose quite the correct state of affairs. The cost of the refreshment-rooms included the up-keep and cleaning of the billiard-room and corridors. A great part of the time of the attendants in the refreshment-rooms is devoted to keeping the suite of rooms in good order; and if the refreshment-rooms had been closed, one or two of these attendants would still have been required. The salaries of these attendants should properly be debited to the up-keep and cleaning of Parliament House; and had that been done the cost of the refreshment-rooms would have appeared much less than it did last year.

Senator WALKER (New South Wales) [11.5].—I take the liberty of suggesting to the House Committee that a reasonable charge might be made for the use of the billiard-table. I often go into the billiard-room, and I see comparatively a few members playing, who might well be asked to pay for their pleasure. I have not the slightest doubt that some hotelkeeper would be very glad to take the contract in hand, and would probably ascertain, in the course of the sittings, how many members intended partaking of dinner or supper. I am a great believer in private contract.

Senator O'KEEFE.—There was one tender which would have opened the honorable senator's eyes.

Senator GRAY (New South Wales) [11.6].—As a business man, I realize that it is well-nigh impossible to make a profit out of the refreshment-rooms, or even to pay expenses, under present conditions. I imagine, however, that the cost of the refreshment-rooms, which, to my mind, is reasonable, represents in itself a profit to the Commonwealth at large. Under the peculiar climatic conditions which very often obtain in Melbourne, it is unreasonable to ask that members should go outside for their meals. If we were away from the precincts of the House during the adjournments for refreshments, and thus separated, the work of Parliament would be carried on under a disadvantage, which would react upon those who have sent us here. The refreshment-rooms, even in a modified form, are a benefit, inasmuch as they bring the members of the two Houses together in friendly chat, and sometimes friendly counsel.

Senator DE LARGIE. — And sometimes something else!

Senator GRAY.—Very probably; but the good nature and friendly spirit in which we meet must be of great advantage in the conduct of parliamentary business. Then, again, it would be extremely inconvenient if there were no refreshment-rooms in which members could entertain visitors from other States who might have a desire to see the Commonwealth Parliament Houses. If we had no rooms of the kind, we should, I am afraid, appear somewhat niggardly; and, further, it is desirable that we should be able to show some little hospitality to visiting members of the various States Parliaments throughout Australia.

Senator O'KEEFE.—Especially just before an election!

Senator GRAY.—At any time we are only too well pleased to show hospitality to mem-

bers of the States Parliaments. Of course, I can see that the refreshment-rooms could be carried on even more economically than at present; but if they are conducted on a reasonable basis, the advantages derived are worth the expenditure.

Senator HENDERSON (Western Australia) [11.10].—Like Senator Millen, I am pleased to find that the House Committee are endeavouring to grapple in the very best manner with this very serious matter, seeing that we are incurring a loss of something like £800 or £900 per annum. I quite agree that, under present conditions, it is utterly impossible to conduct the refreshment-rooms at other than a considerable loss. I question very much whether, if some private individual undertook the management under contract, he would be very long in finding that he was unable to make a profit. Senator Gray has urged that the refreshment-rooms are an essential adjunct to Parliament House, and gives as one of his reasons that the climatic conditions of Melbourne are such as to render it very inconvenient for members to go outside for refreshment. I am one who believes that if the refreshment-rooms cannot earn expenses, they ought not to be continued, and I am prepared, on the first opportunity, to record a vote in favour of their entire abolition. Hundreds and thousands of times, when I have gone to work, I have had to take my refreshments under much worse circumstances than I should have to do here if the rooms were abolished. I see no particular reason why we could not bring a billy-can and tucker-bag — bring our "crib" with us — and quietly sit down and have our smoke and chat in the usual manner of working men, who are doing so much for the welfare of this and every other country.

Senator MCGREGOR (South Australia) [11.13].—I hope that some honorable senators are joking, and that those who are serious will consider the position. We should not be fanatical or ultra-saving in a matter of this kind. If the refreshment-rooms are necessary for the proper and convenient working of Parliament, then Parliament ought to contribute something to their maintenance. I am surprised when I hear honorable senators talking about the extra £800 per annum which the refreshment-rooms cost in addition to what honorable members pay for what they receive. I contend that members pay quite sufficient for their refreshments; at any rate, if they had

to pay more, I am certain they would go outside, or, as Senator Henderson has suggested, bring billy-cans. I am credibly informed that the refreshment-rooms in the New South Wales State Parliament cost an extra £3,000 a year.

Senator COL. NEILD.—About £2,000.

Senator MCGREGOR.—I have figures in my hand which show that the extra cost in New South Wales is £3,000 a year. I do not know exactly what the extra cost was to the Victorian Parliament, when the State members occupied these buildings. The parliamentary refreshment-rooms in South Australia do not appear to cost anything extra, the reason being that our predecessors in that Legislature were judicious enough to cover up the expenditure. Instead of making the salaries, &c., a charge against the refreshment-rooms, they engaged a caterer—

Senator PLAYFORD.—At £300 a year.

Senator MCGREGOR.—At £300 a year with quarters, fuel, and light.

Senator COL. NEILD.—That was done in Victoria, with the result that a bailiff was put in.

Senator MCGREGOR.—But I am speaking of South Australia, where the people are honest—I am speaking of the model State.

Senator MILLEN.—Which, according to the honorable senator, fakes its accounts.

Senator MCGREGOR. — They granted these perquisites to the caterer, and, in addition, gave him the services of the Parliament House cleaners free of charge. If all these charges were debited against the refreshment-rooms account of the South Australian Legislature, it would show a greater deficit in proportion to the number of members, and the business done, than is shown by the Federal parliamentary refreshment-rooms accounts. In view of all these facts, why should it be suggested that tenders should be called for the catering? Senator Fraser and Senator Walker are such venerable gentlemen that their judgment should convince them of the unwisdom of bringing here a caterer who might employ fascinating barmaids to lure legislators away from their duties. I would draw special attention to the inconvenient situation of the dining-rooms and kitchen. The arrangements are so defective that it would be exceedingly difficult for any one to make the business pay at a reasonable tariff. Another point is that the gentlemen of the press and of the *Hansard* staff find it a

great convenience to be able to obtain their meals on the premises, and that it would be a very serious matter, so far as they are concerned, if the tariff were so high as to compel them to obtain their meals elsewhere. As to the closing of the dining-rooms during the recess, I would point out that the majority of members of this Parliament do not reside in Victoria, and that consequently during the recess they are seldom here. If this were a State Parliament, members would be here nearly all the year round, and the receipts would thus be much larger. I do not know whether it is wise to close the dining-rooms during the recess. If the House Committee think it necessary to do so because they are not used to any extent, well and good. But I should certainly allow the bar to remain open, not merely that honorable members might indulge in the good spirits to which Senator Gray has referred, but to enable them to obtain a cup of tea or coffee when they come here. With that object in view, a gas or spirit stove should be kept on the premises; or, as Senator Henderson has suggested, provision made for boiling the billy. I certainly would not close the bar. During last recess, although it was closed, there was an officer constantly in attendance. Would it not be better for that attendant to serve honorable members during recess rather than that he should be drawing his salary and doing little for it. I hope that the House Committee will take these matters into consideration, and that if we ever reach the Federal Capital care will be taken to provide in the Commonwealth Parliament House every facility for the caterer. If the people of Australia were aware of the difficulties with respect to the refreshment-rooms, and of the difference between the position of members of this Parliament, and that of members of the States Legislatures, I am sure they would not grumble about this matter. The deficit is of such little consequence that the House Committee would be justified in carrying on the business without inviting tenders. Honorable senators opposite are always ready to speak of what a business man would do in such circumstances. It is only during a few days in the week that there is any business to be done, and I am satisfied that even a business man would find the catering arrangements so inconvenient that if he charged the tariff customary outside he would be in difficulties in less than three months. Probably he would be

unable to pay his bills, and in this way even greater discredit would be brought upon the Parliament. The discussion that has taken place to-day will do good; it will disabuse the public mind. I have heard it said repeatedly that Federal members enjoy all these advantages and services free of charge. Some members of the Federal Parliament have themselves made statements with respect to parliamentary perquisites that have led the public to entertain the belief that refreshments are supplied to us free of charge; but this discussion will clear away misapprehensions, and I am pleased that it has taken place.

Senator COL. NEILD (New South Wales) [11.22].—I regret that this debate should have taken place at the present juncture, because only a day or two ago the House Committee appointed a sub-committee to report to it upon all matters connected with the refreshment-rooms. That sub-committee sat yesterday for a couple of hours. I do not know that any conclusions have been arrived at, but even if they had it would not be my place, as a member of the sub-committee, to speak of them here. I may, without offence, mention to the Senate the opinions to which I have been driven, and by which I intend to stand. I quite agree with what has been said by Senator McGREGOR as to the large amount paid by the Parliament of New South Wales towards the upkeep of its refreshment-rooms.

Senator MCGREGOR.—And other Parliaments have done the same.

Senator COL. NEILD.—Quite so. I speak of the New South Wales Parliament, because, for something like ten years, I was a member of its Refreshment-rooms Committee, and am thoroughly well seized of the facts relating to it. I have confidence in dealing with this question, because, in addition to the experience gained as a member of the Refreshment-rooms Committee of the Parliament of New South Wales, I have been for some five years a member of the House Committee of the Federal Parliament. It is impossible for any parliamentary refreshment-rooms, at the tariff customary in the city in which that Parliament meets, to pay its way, as the phrase goes, when the takings at the outside extend over only three and a half days per week, while the salaries of its officers are paid for the six. The Senate sits one day per week less than does the House of Representatives, and the expenditure by members of either Chamber is

very small on Friday. I am, therefore, well within the mark when I say that the business of the refreshment-rooms extends over only three and a half days per week. In the circumstances, it is impossible to balance the accounts. Coming to the question of whether there is a deficit in the refreshment-rooms accounts, I honestly believe that there is not. That is the conclusion I have come to as a member of the Committee. Whether I shall so report is immaterial, but I account for my opinion in this way: A sum of £720 is charged to the refreshment-rooms in respect of salaries voted by Parliament. I hold that it is no function of a Refreshment-rooms Committee to recoup or endeavour to recoup the consolidated revenue the salaries that have been so appropriated. It might just as well be said that honorable members who stroll in the Parliamentary Gardens should pay for the privilege of doing so, and that the revenue thus derived should be put against the salaries of the gardeners which are appropriated by Parliament.

Senator DE LARGIE.—Logically we ought to be charged for the use of this chamber.

Senator COL. NEILD.—We ought to be charged something to make good the salaries of the messengers and cleaners of the parliamentary buildings. We might just as reasonably be asked to do so as to make up the salaries appropriated by Parliament for the refreshment-rooms, which are a necessity. There is no Parliament in the Empire, so far as I am aware, which has not its refreshment-rooms—which has no provision for the supply of food and drink. Whether it be spirits or that terrible stuff called tea, with which people destroy their digestive organs, members should be able to get it on the parliamentary premises. Why is there no complaint about the billiard-room, which is not a necessity.

Senator FRASER.—It costs a mere trifle.

Senator PLAYFORD.—It is not allowed in South Australia.

Senator COL. NEILD.—A billiard-room is not nearly so necessary as are refreshment-rooms. But we cannot conduct a billiard-room without having some one to clean it, to take care of the tables, the cues, and the rest of the paraphernalia. If we had not refreshment-rooms, and the work of the billiard-room was not being carried out by one of the officials whose salary is voted by Parliament in connexion with the refreshment-rooms, we should have to find at least £150 a year for the charge of that

room. It costs nothing at the present time, because unfortunately the refreshment-rooms bear it all.

Senator MILLEN.—Am I to understand that the salary of the man who looks after the billiard table is charged against the vote for the refreshment-rooms?

Senator Col. NEILD.—Yes.

Senator MILLEN.—Is the salary of the man who looks after the bowling green also charged against the vote for the refreshment-rooms?

Senator Col. NEILD.—No, I think he is charged against the vote for the garden. It is known that Parliament votes £50 a year as a kind of honorarium to the Usher of the Black Rod for acting as controller over the whole of these premises. He is, so to speak, the permanent head of the department. He has to do the whole of the bookkeeping. All the accounts for light, water, insurance, repairs, and furniture go through his hands. He is very busy most of the day, and very often at night, in dealing with these matters. Even that sum of £50 is charged against the refreshment-rooms. The thing is utterly ridiculous. It has no more right to be charged against the refreshment-rooms than has the insurance of the building. Why has not the insurance of some part of the building, or the whole of it, been charged against the refreshment-rooms vote? It seems to me that somehow or other these charges against the refreshment-rooms have been inflated in a most needless and unreasonable manner. I may say in passing, without any breach of confidence, that I placed this very matter, in conversation, before a very distinguished member of the Government, and he was entirely in agreement with me that it was no part of the duty of the Refreshment-rooms Committee to recoup the consolidated revenue for the salaries that Parliament votes, and that must be patent to everybody. For argument's sake, we will take the alleged deficit at £870. If we take off that sum the salaries which Parliament appropriates, it leaves a balance of £150. If we do away with the officers whose salaries Parliament votes, and put the business into the hands of a caterer, we shall have to find £150 a year for the billiard-room. These two items—the salaries now voted by Parliament and the salary that would be necessary otherwise in connexion with the billiard-room—make up exactly the amount of the deficit. Therefore, practically there is no deficit—no

more than there is in connexion with the gardens, nor the cleaning of the building, because Parliament votes some salaries. There are one or two matters which I think it only fair to mention. I find that when a member of either House takes a drink of whisky, he pays a price which represents a profit of 20 per cent. There cannot be any allegation of cheap drinks under the circumstances. There is a profit of 20 per cent., reckoned upon the spirits which are sold in the bar. In six months, however, the bill for tea has amounted to £30, and the bill for milk to £35.

Senator KEATING. — The tea which is taken apart from ordinary meals is paid for.

Senator Col. NEILD.—The takings for afternoon tea do not average 5s. In a six months' session, if we reckon tea, coffee, milk, and loaf sugar, there is not less than £70 worth of these articles given away, while the people who take a little whisky have to pay an advance of 20 per cent. on cost price. I make this statement, because I think it is only fair in the interests of the whole Parliament that I should do so.

Senator MCGREGOR.—Be clear on this point, that tea is not given away to any members of the Parliament, unless at their meals.

Senator Col. NEILD. — Exactly. A Member of Parliament who does not take any spirits pays nothing to the caterer for the tea or coffee which he drinks at his meals, whereas I, to whose digestion tea is very destructive, take whisky, and have to pay. In other words, one Member of Parliament pays a shilling, and he has something to eat and a cup of tea, while another member pays a shilling for the same quantity of food, and sixpence extra for his drink. I do not say that the cup or pot of tea costs sixpence—it may cost much less—but there is a distinct difference drawn. My own view is that tea ought not to be given in unless one shilling and sixpence is paid for the meal.

Senator FRASER.—A pound of tea costs only 8d. or 9d.

Senator Col. NEILD.—I am not going into the price of tea, or milk, or sugar, but I am stating the plain fact that in six months last year the tea, coffee, milk, and sugar cost £75.

Senator O'KEEFE.—How much did the salt cost?

Senator WALKER.—And the mustard?

Senator Col. NEILD.—I do not think there is any connexion between condiments and a large quantity of tea, sugar, and milk. I make this statement, because I think it is of interest to honorable senators. I found it of interest when I began to put all the figures together. I assure honorable senators that I am not quoting at random. I have got all the details, month by month, in my hand. I hope that honorable senators will see that there really is no reason to raise a cry of deficit in connexion with our refreshment-rooms, and no reason to besmirch the reputation of the Senate or another place by making out or maintaining the proposition that the refreshment-rooms of the Federal Parliament are conducted at a great loss to the community.

Senator Sir RICHARD BAKER (South Australia) [11.40].—I do not know that any good will result from discussing in the Senate small details concerning the refreshment-rooms, and therefore I do not intend to follow Senator Neild, who, no doubt, is probably correct in everything he stated. I only rose to correct a misapprehension into which Senator McGregor has evidently fallen. The Joint House Committee wished to ascertain whether a greater or lesser expenditure would occur if the refreshment-rooms were carried on here, as in South Australia, by a contractor. With that view, we unanimously decided to call for tenders on the basis that the prices to be charged should be exactly the same as those charged now. If there was to be a difference we could not compare the two systems one with the other. I am not at all sanguine about a tender being accepted; in fact, I am not at all sanguine that we are not able to carry on this business at as small an expenditure by the present methods as we could by a contractor. As a matter of fact, we have had tentative tenders before us. Although we are now publicly calling for tenders, previously we did so privately. We had one or two tenders, and the expenditure was a great deal more than at present, the prices being much higher than at present. But we vindicate our position that we ought to carry on this department at as low an expenditure as possible by calling for tenders, everything to be on the same basis as at present. No extra charges would be made, Members of Parliament would not be driven out of the refreshment-rooms, because they would have

to pay exactly the same as they do now. I only rose to correct that misapprehension, because I think it is due to the Joint House Committee. We are trying to do our best. All we want is to give as great accommodation as possible to the members of both Houses, as efficiently as we can, and at as little expense as possible.

Senator Col. NEILD (New South Wales) [11.43].—There is one little matter which I forgot to mention; and that is, the experience which befel the Victorian Parliament when they occupied this building a few years ago. They had a caterer—what his prices were is of no consequence—and he incurred all sorts of debts, and apparently paid no one.

Senator FRASER.—Private debts, not debts connected with the refreshment-rooms.

Senator Col. NEILD.—Pardon me, it was the caterer's own indebtedness.

Senator FRASER.—That did not prove that the refreshment-rooms did not pay.

Senator Col. NEILD.—No. Mr. Upward was then Sergeant-at-Arms, and controller of the refreshment-rooms. One fine morning, at about 11 o'clock, just when he was hurrying off to attend a Select Committee, of which he was clerk, he was informed that there was a constable upstairs who had seized everything in the interests of the creditors of the caterer. What became of the latter I do not know. I do not think that he ever returned. The controller had to get together a small staff, and on his own responsibility, provide a midday meal for the Members of the Victorian Parliament.

Senator O'KEEFE.—Would not the privileges of Parliament have protected the caterer from being arrested?

Senator Col. NEILD.—I do not know. It is very awkward when an irresponsible person is allowed to come into the premises of Parliament and conduct a business there. I am not in favour of a proceeding of that kind. The premises of Parliament should be under the control of Parliament, and not in the hands of irresponsible people. But so satisfactory was the arrangement carried out by the controller at the time, and so great was the saving as compared with the contract system, that the Victorian Parliament afterwards carried on its own catering, just as we have hitherto done, and has never reverted to the contract system. I may mention here that at the initiation of our present system the controller, who was, of course, appointed by the Government before Parliament met, had to make

arrangements for honorable members before there were any funds with which to operate. Mr. Upward actually started our refreshment-rooms, and carried them on out of his own pocket. He conducted them for the convenience of Members of Parliament at his own charge for some length of time. We have had evidence that they have been conducted with a great deal of satisfaction. I am satisfied that we shall not do well to place the control of any portion of the parliamentary buildings in the hands of strangers. We shall not find that the arrangements are as satisfactory as they have been in the past.

Senator STANFORTH SMITH (Western Australia) [11.46].—I think that Senator Neild has made a very informative statement with regard to the refreshment-rooms, and, generally speaking, it was correct; but his undying repugnance to tea has led him into a statement from which a wrong inference may be drawn. He has said that £30 worth of tea was consumed last year in six months, and £35 worth of milk. He says that 5s. per day is spent on afternoon teas. As a matter of fact, I think the amount is greater. But he must remember that milk is used in various comestibles, such as puddings. Furthermore, 6d. is paid for a cup of afternoon tea, which costs about 1d., whereas a glass of whisky costs probably 3d. or 4d. Therefore, a greater profit is made from tea than from whisky. It appears to me to be ridiculous to contend that tea supplied at an ordinary meal should be specially charged for. It is not charged for at any refreshment-room in Australia. It is a portion of the meal, for which a fixed price is paid. One might as well be asked to pay extra for salt or pepper. Senator Neild's repugnance to tea reminds me of a certain individual's repugnance to water. He said that water must be very injurious, because when some water got into his watch he observed that fearful injury was done to the delicate mechanism; and he said that he was not going to drink any water lest such injury should be done to his internal mechanism!

Senator GIVENS (Queensland) [11.51].—In connexion with the Post and Telegraph Department, I wish to mention a matter for the information of the Government that may not have been brought under their notice. It is a rule of the Department that if a man is brought back to do Sunday work he shall be paid at the rate

of time and a half. There ought to be a minimum, and a man should get at least one hour's pay if he is brought back for Sunday work. The work itself may only occupy five minutes, and yet the man's whole day may be spoilt. Payment at the rate of time and a half for five minutes certainly would not compensate him for the inconvenience that he was put to.

Senator KEATING.—Is there not a minimum of one hour's pay?

Senator GIVENS.—I am informed that there is not. Take the case of telegraph operators who are brought back on a Sunday morning for the purpose of telegraphing that a ship has arrived at Thursday Island. Officers at various repeating stations all along the line are brought back to transmit this message. That is all the work that they have to do. I am told that they get little or nothing in the way of payment, and yet the whole of their Sunday morning or afternoon may be spoilt. The people in whose interests these telegraph messages are sent are compelled to pay a sum of 2s. 6d. for each officer who is thus called upon to do Sunday work, and in addition to that double rates are charged for the telegrams so sent. The double charge for the telegram would be sufficient remuneration to the Department for the use of its plant and instruments, and I think that the 2s. 6d. paid on account of each officer brought back should be paid to the officer for his extra service.

Senator KEATING (Tasmania—Honorary Minister) [11.55].—Only recently the circumstances brought under the notice of the Committee by Senator Givens were mentioned to me in my own State. I shall have the matter brought under the notice of the Department not later than tomorrow, and hope to be able to satisfy Senator Givens that the complaints are receiving favorable consideration. I was unaware that there was not a minimum fixed in regard to overtime.

Senator GIVENS.—I am not certain about that.

Senator KEATING.—I shall make inquiries, and hope to be able to furnish the honorable senator with a satisfactory assurance that the interests of the operators in question are being considered by the Department.

Senator TURLEY (Queensland) [11.58].—I wish to ask the Minister of Defence certain questions regarding statements that

have been reported in the press as having been made by him when he returned to Melbourne after a tour in Queensland. He is reported to have said—

When I was recently in Queensland, I discovered a wireless telegraphy station in charge of a man who had nothing to do all day. There he was looking out to sea with nobody to communicate with, and the Commonwealth was paying for it all. This man was not on the Estimates as wireless telegraphist, but as an able seaman, and he was supposed to be on board ship. You find military bands everywhere, but not a word appears on the Estimates about bandmen. The public looks upon the men as being behind guns, whilst they are really behind trombones.

A paragraph appeared in one of yesterday's newspapers headed "A mythical operator." I will read it—

Senator Playford recently stated that while in Queensland he discovered a man in charge of the wireless telegraph station who had no one to communicate with, and nothing to do all day. Inquiry at Brisbane shows that there is no such person in existence, the wireless station at Moreton Bay being in charge of the light-house-keeper.

As to the Minister's reported statement that not a word appears upon the Estimates about military bands, I find that as a matter of fact there is quite a number of references to bandmen. For instance, in last year's Estimates honorable senators will find on page 128 the items "two band sergeants, £8"; "forty-two bandmen at £6 8s."; on page 130, "band allowance, Australian Light Horse, £150"; again, "band allowance, Volunteers, £50." A number of the men in the Forces in Queensland feel rather hurt over the remarks that the Minister is supposed to have made, because they recognise the necessity for their having bands, and they know that a certain amount is placed on the Estimates for the purpose. But, in addition, nearly every man, from the officers down, put their hands in their pockets towards keeping up their own bands. The officers usually give a subscription of, perhaps, a guinea, and the men, say, half-a-crown, annually, in recognition of the services of the bandmen, who devote to the work a lot of time for which they are not paid. As was pointed out to me by one of the men, all the bandmen are trained soldiers, just as are those in the ranks; the only difference is that the former have devoted themselves to the band, and given a lot of time in making themselves musically efficient. The men feel hurt at this statement, reported to have been made by the Minister, though had it been uttered by any

Senator Turley.

one outside possibly no notice would have been taken of it. Has the gentleman in charge of the Department any idea of the responsibilities of his office, or is he making statements at random, without ascertaining whether they are correct?

Senator PLAYFORD (South Australia—Minister of Defence) [12.3].—If Senator Turley takes various statements which are attributed to me in the press, and asks me whether I have made them, all I can say is that, in many instances, the reporter's imagination has amplified any little thing I may have said into something simply unrecognisable. So far as the wireless telegraphy station is concerned, a reporter did ask me as to what was intended to be done in the matter. It is well known that one of the Admirals on the Australian Station recommended to the Government of the day, before my time, that wireless telegraphy stations should be established all along the coast of Australia, commencing in Western Australia and running to Cape York, and even to Port Darwin. However, a new Admiral arrived, and he reckoned that, instead of the large number of stations recommended by his predecessor, only three were necessary. It was on the report of this Admiral that the reporter asked as to my intention. In the course of casual conversation, I did say that, to my utter surprise, I had found in Queensland a wireless telegraphy station of which I had known nothing previously, and in regard to which I had seen no provision on the Estimates. But the statement by the reporter about my "discovering" a man in charge is pure imagination. The reporter doubtless concluded that there would be a man in charge, and that, as there had been no provision made on the Estimates, this man had got there in some peculiar manner; and so the tale goes on. Since that time I have been requested to provide money for the repair of one of the large masts of the apparatus, which seems to have come down, or become weakened, and I have sent to Captain Tickell, asking for full particulars. I inquired as to whether this station was used at all, and, so far as I could ascertain in Queensland, it is useless for any practical purpose. The question now is whether, under the circumstances, I shall provide money for the repairs, and I am at present making inquiries. The newspaper account proceeds:

The Minister for Defence, referring to-day to General Finn's approaching retirement, expressed

opinion that the service would get on very well for a bit without so much inspection. "The block corps," he said, "are lined up for the Inspector-General to look at, while the Commandants, the very people who ought to be inspected, are left to themselves."

ever put the matter in that way at all. He expressed an opinion that Inspector-General Finn used to occupy a great many hours in visiting the back-blocks, inspecting small corps of half-a-dozen or a dozen men, when his time might have been more profitably employed in looking at the Commandants and their staffs; but he does not think I put the case in the way attributed to me by the reporter. The reporter goes on to say that I stated I found Tasmania in a state of "utter disorganization." I do not know whether I used the word "utter," but, when I was in the office, I certainly found defence forces in Tasmania in a state of disorganization.

Senator MILLEN.—Was there not something like a revolution there?

Senator PLAYFORD.—We heard of rebellion and mutiny, and of Major-General Finn disbanding a corps. I am now going into that matter, and re-establishing the force as nicely and quietly as possible. I have had to do some rather unpleasant things which I should not care to make public in connexion with the defence of Tasmania; but, so far as I know, the forces are now going on very pleasantly. In regard to the bandsmen, I never made such a statement as that attributed to me with reference to any particular corps in Tasmania; but I did make a statement referring to some bandsmen in Victoria. The reporter's paragraph goes on to say that I found military bands everywhere, but that not a word appeared on the Estimates about bandsmen. Considering that I took up the Defence Estimates, I was naturally likely to make such a statement, in view of the fact that provision is made for them.

I can suggest, however, how such a statement may have been written by the reporter. There is a band provided for each regiment, and for each band certain provision is made on the Estimates. A band may, however, be composed of men who are very much scattered; and the band may be stationed at the headquarters at Bendigo, for instance, while the branch or company of the same band is stationed at Echuca. When regiments are scattered in this way, it very often happens that bands are improvised by

the men themselves. A band is already provided at the head-quarters at Ballarat or Bendigo; but in an outlying district, 50 or 100 miles away, the little squadrons organize a band of their own, all the expenses of which they pay themselves. The trouble arises from the fact that men are put into these bands who are not effective as soldiers, and who cannot pass when the corps goes up for the effective allowance. In this connexion the officers complain very much because, while a man may be able to read music, blow a trombone, or beat a big drum, he is not an effective soldier, and does not earn the grant. In speaking with the reporter, I may have referred to some such case as that; I have a Victorian case in my mind. I do not think I did refer to the matter, but if I did, I certainly never intended my remarks to apply to Queensland. Statements of the kind taken from their context are, of course, exceedingly misleading. There may have been a general conversation in which I alluded to bands; but the circumstances are as I have stated. I can assure Senator Turley that when the reporters have to "dress up," as they do, what they may casually hear from a Minister in a general conversation, perhaps as they walk along the street, they make mistakes, and lead people to form wrong impressions. In the present case a very wrong impression has been formed in regard to the wireless telegraphy station, and the wonderful man I am supposed to have found, but did not find. A mistake has also been made in attributing to me the statement that military bands are not provided for on the Estimates. As I say, recognised military bands are provided for, but there are those other improvised bands, which are not provided for, and which cause some little trouble.

Senator DOBSON (Tasmania) [12.12].—Is any provision being made for sending a rifle team to compete at Bisley, or do the Government propose to help private enterprise by contributing pound for pound?

Senator PLAYFORD (South Australia—Minister of Defence) [12.13].—No provision is being made for sending a rifle team to compete at Bisley. To send a team would cost a very large sum of money; but if a request be made that any sum which may be raised by private subscription to that end shall be supplemented by the Government. I shall place the request before the Cabinet; but I can make no promise.

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Senator DOBSON.—The Minister will consider the suggestion to contribute pound for pound?

Senator PLAYFORD.—I can make no promise.

Senator GIVENS (Queensland) [12.14.].—I should like some information as to the intentions of the Government in regard to a very important matter. If our defences are to be of any use at all, there must be some means by which the Forces can be adequately armed without our having to go 12,000 or 14,000 miles for weapons and ammunition in case of emergency. Something should be done by the Government towards the establishment of a small arms factory, or even of a large arms factory in Australia. What would be our position if the mother country were engaged in a life and death struggle with a European Power or a combination of European Powers? Such a thing may never occur—we hope that it will not—but there is the possibility, and it must be faced. In such a contingency we should have to defend ourselves; indeed, it would be our duty to adopt that manly course rather than to hang on to the skirts of the mother country, and to ask her to defend us. It is absolutely necessary that in such circumstances we should be in a position to adequately arm our soldiers. What should we do if our uninterrupted sea communication were cut off? We should be absolutely dependent upon some European country for our supply of arms and ammunition.

Senator MCGREGOR.—We could send to Japan for them.

Senator GIVENS.—But Japan is overseas, and there is a possibility that in time of war our free and uninterrupted sea communication might be cut off. If we are to be independent and self-sustaining in this respect, we must establish a factory in which both large and small arms of every description, as well as ammunition of all kinds, can be manufactured. Another point is that, even in time of peace, big guns are often thrown out of repair, and that in time of war, when such occurrences would be far more frequent, we should be unable to make them effective.

Senator FRASER.—If we had not the mother country to look after us the enemy would soon blow our factory into the air.

Senator GIVENS.—That is absolute unadulterated bunkum. We have in the Commonwealth nearly a million able-bodied citizens, and if we were only prepared to

put up a fight one-tenth as effective as that made by people in similar circumstances in South Africa, we should give a good account of ourselves. The Boers were fighting the greatest nation in the world—a nation which did more than any other Power could have done at the time. Great Britain sent an armed body of 250,000 men into the field in South Africa, and maintained them there for three years, notwithstanding the distance from its base of supplies. Everyone will agree that the unfortunate Boers sustained that fight with great gallantry, notwithstanding that they did not number one-fifth of the total population of Melbourne. And yet Senator Fraser says that in time of war we should be blown to atoms.

Senator FRASER.—Did the honorable senator's party fight under the British flag on that occasion?

Senator O'KEEFE.—What has that to do with the question?

Senator FRASER.—It has everything to do with it.

Senator GIVENS.—Our party did not hoist the Chinese flag.

Senator FRASER.—I know the flag under which it was fighting.

Senator GIVENS.—If ever I fight, I hope that I shall be found doing battle under the Australian flag, and for the maintenance and defence of our institutions. I think that Senator Fraser will agree that our preparations for defence should be as efficient and as effective as possible.

Senator FRASER.—Certainly.

Senator GIVENS.—We cannot have an efficient force if our people are liable, in an emergency, to be without arms or ammunition. That liability will be always present until we establish a factory in which we can not only manufacture all the guns that we require, but carry out repairs and make sufficient ammunition to give our troops a full supply even when our free communication with the outside world is cut off. I hope that the Minister will be able to give us an assurance that the Government have in contemplation, at all events, the establishment of the nucleus of a factory such as I, and, I believe, the people of Australia, desire, and that steps will be taken as early as possible to put in a plant and engage the workmen necessary to manufacture everything we require in the way of arms and ammunition.

Senator PLAYFORD (South Australia—Minister of Defence) [12.21].—I can assure the honorable senator that I have not

lost sight of the matter to which he has referred. As a protectionist, I am in favour of our doing all the work we can in the Commonwealth; but in this connexion there are positions which even we, as protectionists, cannot take up. The question is, whether the quantity of arms and ammunition that we require would be sufficient to justify the erection of the necessary machinery, and keep it going. Let us take, for instance, the manufacture of cordite, which is now used for all arms. It certainly could be made in Australia, but its manufacture by the Government would involve immense loss, since we should require but a very small quantity. I could erect one of the smallest factories here for a given sum, but the manufacture of cordite in that factory would not be payable, unless we had an output of something like 50 tons a year.

Senator STANIFORTH SMITH. — How do they manage in Canada?

Senator PLAYFORD. — I do not know what they are doing there. I do not know that they are making cordite, but they may be manufacturing it at great loss. I can buy cordite at 2s. 8d. per lb., whereas calculations that have been made show that it would cost something like 5s. per lb. to manufacture it here, if the output of the factory were simply that required to meet our own demands. The question is, whether we are going to double our ammunition charges for the purpose of giving a month's employment annually to a few workmen.

Senator GIVENS. — That is not the main purpose, and the honorable senator ought to know that it is not.

Senator PLAYFORD. — That is the position as it appeals to me. We have to determine whether it would really be worth while, from a practical point of view, to undertake this work. I have been in communication with two companies, and Nobel's have offered to supply the Department with cordite at a certain price for a certain quantity, the price to be reduced in proportion to the quantity ordered. But we cannot take the quantity necessary. When the late Mr. Seddon was here, the question of whether New Zealand would give us the manufacture of the supplies it required was discussed. If it would, that would increase our output by 5 tons a year. We have also been making inquiries to ascertain whether the Admiralty could not take from us the supplies required for the Australian as well as for the Eastern Squadron. Inquiries are still being

made, and I hope to be able to establish a cordite factory. I should certainly do so if I could say to the Senate, "We shall only have to pay a sum not very much in excess of what we are now paying for our cordite." But as the cost would be so much in excess of what we are now paying, and we have a reserve of cordite sufficient to carry us over, not only this year, but next year——

Senator GIVENS. — It would not last a fortnight in time of war.

Senator PLAYFORD. — When I tell the honorable senator what provision we have made he will recognise that our position with regard to arms and ammunition is exceedingly favorable. Nevertheless, I should like to see cordite manufactured here. A war might break out at any time, but it would not be altogether wise to incur a large expenditure because of a mere probability. As long as we keep up a reserve that will tide us over a certain time, we shall have nothing to fear. Nowadays, wars are generally sharp and decisive. We are not likely to have a recurrence of the one hundred years' war, or a thirty years' war, such as we read of in history, and as long as we take care to have reserves of ammunition sufficient to tide us over a certain time, and a supply of arms sufficient, at all events, to equip the number of troops necessary to enable us to meet any likely invasion, we shall have done as much as we ought to do. Senator Givens urged the establishment of a factory capable of turning out big guns, as well as small arms. Canada has started the manufacture of small arms, and I have made inquiries as to what would be the cost of providing such an establishment here. It is estimated that an outlay of £150,000 would be required to start the factory, and that even then we should not be able to keep it working full time. The trouble is that we require, comparatively speaking, only a very small quantity. Are honorable senators prepared to support the erection of a big factory, which would be kept going only a month a year? Are they prepared to incur this expenditure in order that we may be ready to defend ourselves in a war which might not take place for another forty years?

Senator PEARCE. — Why not have a small factory, with a smaller turnover, and working all the year round?

Senator PLAYFORD.—I would if I could, but the honorable senator knows that in all branches of industry nowadays work is done automatically. An article is made, not by one machine, but by a number; it passes from one machine to another until its manufacture is complete. Once a machine is started in a small arms factory, it must go on at its full capacity. If its speed be reduced power is wasted.

Senator MILLEN.—That is not an argument with our honorable friends opposite.

Senator PLAYFORD.—Surely it is. The position I take up is that it is a question of whether it would pay us to establish a small arms factory.

Senator PEARCE.—The question is whether we should have one set of the necessary machinery or several.

Senator PLAYFORD.—I have been alluding to only one set. Small arms are turned out very quickly by machinery, and one set would probably manufacture ten or twenty times more than we should ever require. We should thus have an expensive plant lying idle for a considerable time every year. My inquiries lead me to believe that there is no escape from that position. At the same time, I recognise the advantage that would flow from the establishment of a factory capable of turning out all that we require. Cordite has a more detrimental effect upon our rifles than has ordinary black powder, and, consequently, new barrels are frequently required. Provision has been made this year for a considerable number of new rifle barrels. I do not know whether it would be impossible for us to make a start in the direction desired by Senator Givens by establishing a factory, in which we could replace rifle barrels out of repair, and gradually extend it as our population increased and our position improved. I can assure honorable senators that I have looked into this matter very carefully. I would ask the Senate to vote the money to start the manufacture of these articles if I could see that it would pay the Commonwealth to take that step. But the cost of the undertaking would be so great that I have shrunk from making a proposal. My idea is that, if it is decided to have a little fleet of our own, we ought to establish dock-yards and build the vessels here. So far as I can see from the inquiries I have made, it will not pay us at the present time to manufacture ammunition or rifles. I shall look still further into the matter. If

any honorable senators will give notice of particular questions, I shall give them all the information I can get. If they are then dissatisfied, and consider that we ought to incur this expense simply for the sake of the advantage of having, in a problematical time of war, the means of manufacturing our own rifles more quickly than possibly they could be imported from the old country, they can bring the matter before Parliament.

Senator DOBSON.—Do not coquette with them.

Senator PLAYFORD.—I am not coquetting with them. I am not in a position to recommend Parliament to do anything of the sort.

Senator STANFORTH SMITH (Western Australia) [12.31].—In my opinion, Senator Givens has introduced a subject of great importance. I believe that Senator Playford has raised some debatable objections to the proposal, but I do not think that it should be looked at purely from the commercial aspect. The whole exigencies of defence are not regarded from that aspect, but from a broad national stand-point. Upon defence every year we spend £1,000,000, of which only £250,000 is spent upon our naval defence. I recognise that for our safety we are entirely dependent upon the British Navy, but that does not absolve us from the responsibility of being able to defend our own shores in the event of an invasion. If such a misfortune even occurred as that the great British Navy were crippled or evaded, and a hostile force could land in Australia, we, as descendants of British people, should be able to defend our own shores and hearths. We are spending £750,000 a year upon internal defence. The question which occurs to me is: Are we spending that money to the best advantage, and are we providing for a possible eventuality which may endanger our national existence. Senator Playford has said that we have in store enough cordite to last us for two years—that is, when we have purely encampments and a little rifle shooting. I venture to say that, if the 100,000 riflemen, or persons who have arms, in Australia were fighting for two or three days, they would expend all the cordite we have.

Senator PLAYFORD.—Oh, they would fire it away very foolishly, if they did.

Senator STANFORTH SMITH. — I intend to ascertain that by asking a series of questions. But at present the point is,

if the British Navy were evaded by a hostile force, we would be cut off from all communication with outside, and would have to rely absolutely upon our own resources to repel any invasion.

Senator PLAYFORD.—Oh!

Senator STANIFORTH SMITH. — I do not think the Minister will deny that, if such an event did occur, we would be in that position.

Senator PLAYFORD.—Who is going to invade us? Supposing that the British Navy were evaded, how many men could a hostile nation land here?

Senator STANIFORTH SMITH.—For what reason are we spending £750,000 a year, if it is not to enable us to meet such an eventuality?

Senator GIVENS.—And why have we a Minister of Defence if there is no need to prepare ourselves to meet such an eventuality?

Senator STANIFORTH SMITH.—I quite admit that a subject like this requires very careful consideration, and that it has to be looked at from all points of view, including the commercial aspect. When I told the Minister that in Canada they make these things, he said that he did not know what they do. It is well for us to know what is being done in Canada and other parts of the Empire in the matter of internal defence. I know that in Canada they make small arms, cordite, and shrapnel. Would it not be well for the Minister of Defence to inquire what is the cost of carrying on these manufactures in Canada, and what quantities are manufactured, and whether it would be possible for us to imitate the example of our brothers in that country, instead of depending upon outside sources for our supplies of ammunition. Surely if in Canada, with 5,000,000 persons, they have had these factories for some time—

Senator PLAYFORD.—No. The Secretary for Defence passed through Canada only six or eight months ago, and in his report to me he stated that the Canadians were only starting their factories, and that he could not state what the results would be.

Senator STANIFORTH SMITH.—As a matter of fact, the conditions were being altered on the occasion of that officer's visit. But the factories have been in existence for a considerable time. It is at least worth the while of the Commonwealth Government to make inquiries.

Senator PLAYFORD.—So we have.

Senator STANIFORTH SMITH.—Then the Minister does not seem to be very *au fait* with the conditions.

Senator PLAYFORD.—I gave as much information as I could get.

Senator STANIFORTH SMITH.—I hope that when the Estimates of Expenditure for the year are under consideration the Minister will be able to inform us how much money Canada expends on these various manufactures, and what expenditure will be necessary in order to establish such manufactures in Australia.

Senator PLAYFORD.—I shall make inquiries again.

Senator MCGREGOR (South Australia) [12.40].—I am very glad to hear that the Minister is making inquiries, because in my opinion they are very necessary. We have the honorable gentleman and many others in the Senate always declaring that our population is too small to enable us to do anything of this kind here.

Senator PLAYFORD.—The honorable senator cannot quote me as saying that, because I have never made the statement.

Senator MCGREGOR.—The honorable senator said that the quantity of ammunition and rifles that we require was too small to justify the establishment of a factory, but that when our population increased we might make a move in that direction. What are we to infer from that statement? I ask the Minister to inquire what is done in Denmark, which has very little more than half the population of Australia, in Switzerland, and in Belgium, where they manufacture arms extensively, although their population is not much larger than ours.

Senator PLAYFORD.—They make them for sale.

Senator MCGREGOR.—Why could we not make arms for sale? We make a lot of other things for sale. We shall never make these articles unless we try to do so. What I wish to point out to the Minister is that the annual vote of £1,000,000 is not spent for actual war purposes. On the contrary, it is spent for the purpose of preparing us to meet such a contingency. Is it not advisable, whether it is employed fully or not, to provide ourselves with the machinery to make the arms and ammunition for our men? And before we obtain that machinery and begin the manufacture of arms and ammunition, is it not necessary that we should produce steel and iron in Australia? In my opinion the Minister is

the proper person to make all these inquiries, and tell the Senate what, in his view, is the best way to proceed in this direction. I was very glad to hear from the Minister that if it is decided to have a small navy of our own an attempt will be made to build the vessels here. In view of the possibilities which have been suggested, we ought to be in a position to construct the ships on the spot. I heard an honorable senator on the other side accuse the Minister of coquetting with the Labour Party. That is all nonsense. The Minister was talking to every senator in the Chamber, and that accusation ought not to have been made. We, as a party, were not asking the Minister for anything in connexion with defence. Some honorable senators are always talking about the great navy of Great Britain, what it has done, and is doing, and how dependent we are upon its efforts. The way in which we can render the greatest assistance to the mother country is by being able to defend ourselves. Every senator who is the head of a family naturally anticipates the time when his children will be prepared to provide for themselves. Look at how we provide for our defence by water! What do we get for our subsidy, which, I admit, is not a very great one? Are any inquiries made by honorable senators opposite as to what we get for the money?

Senator FRASER.—We get security against invasion. It is like an insurance fund.

Senator WALKER.—Quite right.

Senator MCGREGOR.—Do honorable senators, who interject, know that, early in this year, when the *flagship* went on a trial trip, her machinery broke down? It is very easy for some persons to say that we are well defended, and to suggest that the machinery of every ship is liable to break down, and that a mishap is just as likely to occur to the machinery of the *Powerful* as to that of any other ship. These mishaps occur too frequently. Suppose that we were dependent upon the efficiency of these vessels for our defence, and that when they went out they broke down one after another, what would be our position? No inquiry is ever made. Honorable senators do not know that these vessels are continually breaking down. For the last three or four months the *Pylades* has been lying alongside Garden Island. Her tubes have been blown out two or three times, although she came out with almost new boilers from the old country. It shows

that we cannot depend upon these vessels. There ought to be in Australia some place where they could be repaired efficiently instead of lying alongside Garden Island.

Senator WALKER.—They are being repaired in Sydney already.

Senator MCGREGOR.—Yes, but look at the question of cost and inconvenience, and the way in which the work has to be done. We are dependent upon these vessels for our security when they are lying alongside Garden Island to be repaired. Cannot honorable senators opposite see that they are only living in a fool's paradise? It is the duty of the Minister of Defence to inquire into these matters, and to be in a position to tell the Senate whether in sending out these vessels the British Admiralty are fulfilling their duty towards the Commonwealth, and whether we have a right to quietly sit here and consider ourselves safe when that sort of protection is afforded to us in return for our subsidy. I hope that the day will soon arrive when we shall have the material to build our own vessels manufactured here, because it could be produced with greater economy here than in any other part of the world, as we have the coal and the iron lying alongside each other. Australia is far richer than are many other places in the world where iron is produced to-day.

Senator COL. NEILD.—The honorable senator means in New South Wales.

Senator MCGREGOR.—And in other States.

Senator COL. NEILD.—Nowhere else, I think.

Senator MCGREGOR.—Steel is being manufactured in South Melbourne to-day by a process which I venture to say the honorable senator has never heard of. Queensland has deposits of coal which are just as plentiful as those in New South Wales. But I am not arguing in the interests of any particular State. I do not care whether the work is undertaken in New South Wales, South Australia, or Victoria. But the time has arrived when we ought at least to consider whether it is not advisable to make provisions for future necessities in connexion with naval defence and for the manufacture of our own small arms and guns. Unless we begin to consider it seriously, the work will never be undertaken. I believe that it would pay us to have an arms factory of our own, even if we only kept it going for a month in the year. I have heard complaints made that if we had a

larger military force we should simply increase the number of idle men. What is to prevent us from forming a force in Australia of such a character that those who composed it could work in the arms and ammunition factories at the same time that they were learning to be soldiers? They could, it seems to me, be useful citizens, while still carrying out their military duties when not required to work in the factories. This would be a means of utilizing a certain amount of labour that is at present lost in every civilized community. I am quite aware that trained soldiers are not employed usefully in times of peace in other countries. But we in Australia should begin to teach the rest of the world a lesson. Many of our soldiers at Queenscliff and other forts would be far better employed if a certain portion of their time were occupied in making ammunition in a factory under the control of the Commonwealth.

Senator PLAYFORD. — Girls are usually employed in ammunition factories.

Senator MCGREGOR. — But I contend that these men could fill in a large portion of their time that is at present unoccupied at work which would be valuable. I am sure that they would feel the happier if they knew that their services were being utilized in the interests of the country.

Senator PLAYFORD. — If we did that, we should have to have one ammunition factory in Sydney, another in Queenscliff, and others at other stations where our soldiers are located.

Senator MCGREGOR. — How would the Minister act if there were an attack upon Brisbane? Would he not send all the soldiers available to that place? And could he not do exactly the same thing if a certain quantity of ammunition were required to be made at a certain place?

Senator PLAYFORD. — It would cost us a good deal to keep our men moving backwards and forwards.

Senator MCGREGOR. — It costs us a good deal to keep them doing nothing at the present time. If it cost us a little more to keep them doing something, it would be economical, all the same.

Senator DOBSON. — Would the trade unionists consent to the honorable senator's idea?

Senator MCGREGOR. — Senator Dobson need not trouble about the trade unionists.

They are prepared to act in the interests of the Commonwealth to quite as great an extent as are honorable senators opposite. I can guarantee that. They know that if a large number of men are kept in idleness they, as workers, have to provide their sustenance; and they would far rather have the assistance of these men in doing useful work. Trade unionists are no fools. There may have been a time when they were as narrow-minded as some honorable senators are to-day. They might then have objected to a proposal of this description. But they see too far and too clearly now what their interests are, and I am sure that they would raise no objection to what I propose. I hope that inquiries will be made as to the possibility of building our own vessels and manufacturing our own ammunition, small arms, and guns; that we shall see to it that we obtain good service for the money that we pay; and that the security which Senator Fraser and Senator Grav profess to have so much at heart will at last be attained.

Senator PEARCE (Western Australia) [12.52]. — I rise to support the remarks of other honorable senators upon the subject that is now being discussed. I believe that the time is coming when any Government that does not seriously take up this question of defence in an earnest and practical manner will cease to exist. The radical parties in the politics of Australia especially recognise that their ideals are only possible of attainment if we are in a position to defend our country by force, if necessary. Because a power has arisen in the world within the last few years which offers the greatest possible menace to our ideals. We have that danger to face. I allude to the rise of Japan, the possibility of aggression by that Power, and of her expansion in the Pacific. We have recently seen an armed Japanese demonstration in our own waters. We have recently seen Japanese vessels —

Senator FRASER. — It is very unfriendly to speak against an ally like that, and very unwise too.

Senator PEARCE. — It is just as well to face the fact that Japanese statesmen in their own Parliament have already spoken of the possibility of Japanese expansion into Australia. Why should we imitate the ostrich, and hide our heads in the sand while Japanese statesmen plainly state that they look forward to the conquest of Australia?

Senator DE LARGIE.—A Japanese told me only a few days ago that the real motive of Japan in the war against Russia was not that they wanted Manchuria, but that they wanted London.

Senator PEARCE.—We have only to remember what has happened in the case of the English nation to know that when a people have tasted victory it will not be long before they acquire a thirst for further conquest and expansion. When England first tasted victory she began to long to become a world-wide Power such as she is to-day. Do we believe Japan to be different from other nations in that respect? And if Japan desires to expand in what direction is that expansion to take place?

Senator FRASER.—In Manchuria.

Senator PEARCE.—In Manchuria, with its teeming millions, when she is within eight days' steam of one of the richest portions of the globe, a vast continent containing only a small population of some 4,000,000 of people?

Senator FRASER.—Yet the honorable senator's party would not allow British subjects to come here.

Senator PEARCE.—That I stigmatize as an absolute falsehood!

Senator FRASER.—Mr. Chairman, I draw your attention to that statement.

The CHAIRMAN.—Senator Pearce must withdraw that remark.

Senator PEARCE.—The statement was made that we would not allow British subjects to come here.

Senator FRASER.—It is on the statute-book!

The CHAIRMAN.—The honorable senator knows the Standing Orders, I am sure.

Senator PEARCE.—I withdraw the statement that the honorable senator's interjection was an "absolute falsehood," but I say that it was absolutely incorrect, and that he must know that it was incorrect.

Senator FRASER.—I do not.

Senator PEARCE.—He ought to know, or he is not worthy of a place here.

Senator FRASER.—Shall I quote our own Statute to the honorable senator? That is quite enough!

Sitting suspended from 1 to 2 p.m.

Senator PEARCE.—This discussion will serve a valuable purpose if it encourages the Government to come forward with a bold, well-defined plan of Australian defence. At present we spend a large amount on our land defences, but whether we are getting the best value for our money I am not in a position to say. There has been a report by Captain Creswell on the question of harbor defences, placed before us by the Minister; and we are at present in the position that, while the report is before us, we do not know what the Government propose to do. I venture to say that the great bulk of the people of Australia would support the Government in taking action on the lines indicated by Captain Creswell. What Senator McGregor has said about the British Squadron, towards which we pay a subsidy, is well known to be the fact. One of the vessels repeatedly broke down on the way out, and when the recent squadron, to which we paid a subsidy of £120,000 per annum, reached England, the vessels were immediately sold as scrap iron. These facts create a feeling of uneasiness and insecurity in the minds of the people. While we cannot build battleships and so forth, the Government should, at any rate, make a commencement on the lines laid down by Captain Creswell; and we desire the Government to tell us, at the earliest opportunity, when they propose to do so. The report of itself is nothing, but if the Government are going to take any steps they will have the hearty support of both Houses, and the people of Australia will bear the necessary taxation in order to secure harbor defence.

Senator DOBSON.—I should like to see the honorable senator ask the people to do so!

Senator PEARCE.—I am in such a position that I shall have to ask the people to indorse that policy, which I shall advocate on every hustings throughout Western Australia; and I have no hesitation in saying that that particular part of my programme will receive support. I desire the Government to make an early declaration of their intention. As to the charge hurled at me by an honorable senator, that the Labour Party, by their legislation, have blocked people of the British race from coming into Australia, I can only say that the honorable senator cannot have read the legislation of last session. I refer the honorable senator to the Contract

Immigrants Act of 1905, which, in section 5, provides:—

The Minister shall approve the terms of the contract only if—

- (b) there is difficulty in the employer's obtaining within the Commonwealth a worker of at least equal skill and ability (but this paragraph does not apply where the contract immigrant is a British subject, either born in the United Kingdom, or descended from a British subject there born);

I voted for that provision and for the Bill, and, therefore, the taunt thrown at me by Senator Fraser is altogether out of place and incorrect.

Senator GRAY.—Senator Fraser was speaking of the general policy.

Senator PEARCE.—The general policy can only be judged by its results.

Senator WALKER.—The honorable senator is under a mistake; Senator Fraser included in "British subjects," British subjects in India.

Senator FEARCE.—They are not British subjects, but subjects of the British. However, this does not relate to the question of defence. I hope the Minister will commence at the earliest opportunity a vigorous policy of Australian defence, both in the direction indicated by Senator Givens and that indicated in Captain Creswell's report. If the Government regard the question from the same point of view as does the Minister—if they take into consideration whether the scheme is likely to pay—then the Defence Department might as well be abolished. We know that the £750,000 we spend on our land defences does not pay. The guns lying at the forts, the field artillery in the drill-sheds, and the rifles stacked there, are all non-paying, and represent so much money lying idle, just as would the machinery in our rifle factories, and the machinery for making cordite. Does the Minister not see that the very argument he uses against the establishment of a cordite factory can be used against the maintenance of the Defence Department? The Minister must not allow such considerations to stop him from taking action. Even if all this does mean money lying idle, it is the most useful reserve we could have, and there would be the knowledge that if we were entirely cut off by sea from our base of supplies, we could make our own rifles and ammunition. I trust the Minister will take heart from the discussion, and will be prepared, even at the expenditure of a consi-

derable sum, to submit a vigorous defence policy on the lines indicated.

Senator Col. NEILD (New South Wales) [2.7].—I have only a few words to say in regard to defence matters. I desire particularly to bear testimony to the admirable work being done at the Commonwealth naval yard at Williamstown. I visited the yard only the other day, and I wish I had done so long ago. I hope every member of this and another place will take an early opportunity to see the work there carried on in the public interest at very small cost. I mention this matter in conjunction with the suggestion thrown out that the permanent members of the Military Forces might be utilized in the preparation of war materiel. I quite sympathize with the suggestion of the Minister that these men are widely scattered, and that it is difficult to bring them together in order to carry out work of any great consequence. Still, I think they might be trained more usefully than at present in connexion with the preparation of war materiel. They have spare time, because their duties do not wholly occupy them during hours that are reasonable for members of the Military Forces. There certainly must be work connected with the preparation of such materiel, to which members of the permanent Military Forces might be usefully devoted under proper authority. Whether they can do much or little, it boots not, perhaps, to inquire; but the fact that they are trained, and have the tuition necessary to enable them to have their services utilized in the way I have indicated, is of immense consequence. There is another matter I desire to mention, namely, the absolute illegality and unconstitutional position of the Cadet Forces recently established. That force is clearly outside the law, and I desire the Minister to take into consideration the early introduction of a measure to amend the Defence Act, so as to bring the Cadet Forces within its operation. The Defence Act specifically sets out what constitutes members of the Defence Forces, and cadets are not included. Therefore, those lads who are in training are not members of the Defence Forces. What are they? They are lads undergoing instruction. Now, instruction is not a function of the Commonwealth under the Constitution.

Senator DE LARGIE.—Not instruction in defence?

Senator Col. NEILD.—Instruction or education is no part or function of the

Commonwealth under the Constitution. The only way in which we can train lads or men for military or naval purposes is by making them adjuncts of the Defence Forces. But the Defence Act does not make the cadets adjuncts of the Defence Forces—the cadets stand clean outside. They are simply in the position of so many school boys getting so much instruction—instruction in defence. I admit—and as they are not members of the Defence Forces they are being illegally instructed. We have no more right under the Constitution to instruct boys for military purposes than we have to instruct them for some other purpose.

Senator DE LARGIE.—Does that make the instruction any less valuable?

Senator Col. NEILD.—I do not know that the question I am submitting is very easy of comprehension, but if honorable senators will do themselves the justice to look at my remarks when they are in print, and refer to the authorities I mention, they will see the point more completely than they can by merely listening. The Minister of Defence draws my attention to section 62 of the Defence Act, which provides for cadets.

Senator BEST.—What is the honorable senator's answer to that?

Senator Col. NEILD.—My answer is that though the cadets are spoken of in that section, they are not thus made members of the Defence Forces.

Senator BEST.—That is no answer.

Senator Col. NEILD.—Unless the cadets are made members of the Defence Forces, this reference in section 62 is *ultra vires*. Try the issue in the Supreme Court or the High Court. Senator Best is a lawyer, and he will appreciate the fact that it is possible for a section that is *ultra vires* to get into an Act.

Senator BEST.—No one disputes that, but does the honorable senator mean to say that the instruction of cadets is not incidental to the defence of the Commonwealth?

Senator PLAYFORD.—Cadets are distinctly provided for.

Senator BEST.—That is another point.

Senator DE LARGIE.—Will Senator Neild read section 60 of the Defence Act, which provides for compulsory service.

Senator Col. NEILD.—That section deals with enlistments in time of emergency, and provides—

Such persons shall, in the manner prescribed, enlist in the Militia Forces for the prescribed period.

Senator BEST.—Look at sub-section *vi.* of section 51 of the Constitution, which provides that we may make laws with respect to

The naval and military defence of the Commonwealth and of the several States, and the control of the forces to execute and maintain the laws of the Commonwealth.

That brings cadets without the jurisdiction of the Department.

Senator PLAYFORD.—The cadets are properly provided for by the Act.

Senator DE LARGIE.—Senator Neild ought to “climb down.”

Senator Col. NEILD.—Most decidedly I am not going to “climb down.”

Senator PLAYFORD.—The honorable senator will drop down.

Senator Col. NEILD.—Not a bit. Naturally, if I were in the Minister's position, and he were in mine, I should pooh-pooh the suggestion I am making; but I feel so absolutely satisfied of my position, that I am willing to take before the High Court the case of any boy whom the authorities insist shall come under the section.

Senator PLAYFORD.—We do not insist on any boy taking part; the system is voluntary, and not compulsory.

Senator DE LARGIE.—But there is power to make the training compulsory.

Senator PLAYFORD.—Yes, in time of war.

Senator Col. NEILD.—I admit that it is no use discussing a semi-abstract, constitutional, and legal proposition here, and I merely throw out the suggestion. But if I cannot prove a positive, honorable senators opposite cannot prove a negative. A point of the kind can only be settled by appeal to the High Court; but I submit it because I believe it to be a sound point. As to “climbing down,” I have no more thought of doing that than I have of resigning my seat in this Chamber. I am not in the habit of “climbing down.” I never shin up such a rotten sapling that I want to climb down.

Senator DE LARGIE.—Is not the honorable senator prepared to climb down even when he is wrong?

Senator Col. NEILD.—No honorable senator is more willing than I am to acknowledge an error and to make every reparation. I am entitled to my opinions, and I respect those of my opponents. When I disagree with the views of honorable senators, I do not allege that they are blundering. I have mentioned these matters, and the most important at the present juncture is the very admirable work being done

Commonwealth Naval Dockyards. I think that is the proper term to apply. I did not go there for half-an-hour, and I was with the remark, "All this is very wonderful"; I spent five hours in seeing what was to be seen, and I earnestly trust that members of this Parliament should visit the establishment. It is not any of the Commonwealth, and is worthy only in the sense that it ought to be a great deal larger. It is certainly entitled to a very handsome vote for its maintenance.

Senator GIVENS (Queensland) [2.17].—The Minister of Defence, whether he be regarded as a protectionist member of a protectionist Government, or as the Minister charged with the conduct of the national defences of Australia, cannot be condescended upon his reply to my contention in respect to the establishment of a Government arms and ammunition factory in the Commonwealth. His chief argument against the establishment of such a factory was that our needs were so small that it would not pay us to install the necessary machinery. He seems to think that for all time Australia must be content to have her needs in this regard supplied by people at the other end of the world, or else be ready to expend a large sum to enable us to supply our own small requirements. Apparently, the honorable Senator does not think we should ever do more than that. I disagree with his view. I fail to see why Australia should not supply arms and ammunition to other nations, as she is now being supplied from other parts of the world. I fail also to see why the inventive genius of Australians should not have an opportunity to devise improved armaments. It is common knowledge that the Australian produced an implement of warfare which was eagerly sought after by the great Powers. I allude to the inventor of the Brennan torpedo. If an implement of warfare were devised at the present time, it would be found impossible to perfect it in Australia, and for want of a Commonwealth arms and ammunition factory, the Government would be unable to perfect it here. There is no reason why we should not encourage Australian genius and give our people a chance to perfect any implement of warfare they may invent. There is no reason why we should not only manufacture the arms and ammunition required for our own defence, but be prepared to supply the wants of other countries. What

is to prevent us from supplying New Zealand, South Africa, and Canada, with a superior ammunition that would be much sought after? The idea that because our own needs are small we must ever look to people on the other side of the globe to supply them—that we should be merely wood and water joes—is unworthy of a protectionist. What is the attitude of the Minister? He views the question of national defence from the pettifogging stand-point of £ s. d. Let me show him that a Government arms and ammunition factory would pay, and pay to an extraordinary degree. If this country were involved in war it would pay us to sacrifice 95 per cent. of our property in order to maintain our national independence. To what does the defence expenditure of Australia at present amount? Let us consider the question from the Minister's standard of £ s. d., and see what it means. As Senator Fraser justly pointed out just now, defence is a form of insurance. But, apart altogether from the question of the preservation of our life and liberty—viewing the matter only from the stand-point of £ s. d.—where does the Minister find himself? According to Coghlan's *Statistical Account of Australia and New Zealand*, for 1904, the total value of private property in Australia, in 1903, was no less than £1,204,000,000. We may safely say that the value of our public buildings, parks, lands, and railways, is something like £800,000,000, so that the total value of property in Australia is about £2,000,000,000. But let us consider the matter in the light of the information given by Coghlan, that private property in Australia is valued at £1,204,000,000. In round figures, inclusive of the subsidy to the Imperial Navy, we expend on defence less than £1,000,000 a year. In other words, we are spending less than one-twelfth of 1 per cent., in insuring private property in Australia against possible assault.

Senator WALKER.—About 1s. 8d. per cent.

Senator GIVENS.—About that. If we take the value of public and private property in Australia, we are paying less than one-twentieth of 1 per cent. by way of insurance against assault and invasion. What is the remedy? The remedy is to see that our insurance is adequate. When a man insures a building against loss by fire, he takes care to cover, not one-fourth or

one-half, but the full value. The two cases are scarcely parallel, because, if we were conquered by an enemy, we should lose, perhaps, not only our property, but our liberty and our life. That being so, scarcely any insurance that we might be called upon to pay would be unjustifiable. That which we are now paying is a paltry one. Indeed, it is simply wasted, because it is neither adequate nor effective. My proposal is that we should have an effective insurance. Notwithstanding what the Minister has said with regard to the supply of arms and ammunition in Australia, the fact remains that in the event of war we should be unable to repair our disabled guns. The Minister suggested that we might have a two-penny-half-penny factory, where our rifles could be refitted with new barrels, but where it would be impossible to manufacture a complete rifle. Such a factory would be unworthy of the Commonwealth. What we need is a factory wherein we could manufacture big guns, as well as small arms and ammunition. At the present time, if a gun becomes disabled, we have to dismount it and send it to the other end of the world to be repaired. What chance should we have of doing that in time of war? Is it reasonable to suggest that we should sit down and allow the enemy to make door-mats of us while we are sending our guns away to be repaired? It is a monstrous idea. The questions we have to consider are whether we are prepared to defend Australia, and to pay for that defence. The people of Australia are not only willing, but anxious to place themselves in a position in which they will be able to repel any assault. I am sure we are prepared to pay, and the people who ought to bear this cost are those whose property we insure.

Senator DE LARGIE.—A property tax for defence.

Senator GIVENS.—We might have a property tax or a land tax.

Senator PLAYFORD.—It would have to be a property tax, because we protect property other than land.

Senator GIVENS.—That is a phase of the question which I shall not at present discuss. At the proper time I shall advocate that the men who are insured should be called upon to pay. At present I am simply urging that reasonable provision should be made to insure Australia against foreign attack—to enable us to successfully resist assault. Unless we can manufacture

our own guns, and repair them—unless we can manufacture the ammunition we need and replenish our existing supplies without having to send orders to the other end of the world, our defences are absolutely useless. The Minister says that it would not be to establish such a factory as I have advocated. I hold that it does not pay to go in for defence of any kind without such a necessary adjunct, because without that necessary adjunct, defence is useless. If such an argument as Senator PLAYFORD has used can be urged against the expenditure I have suggested, then it could be used in favour of wiping out the Defence Department, and wiping out the Minister's office.

Senator PLAYFORD.—We can get the cordite.

Senator GIVENS.—How can we get it?

Senator PLAYFORD.—The company that has the machinery ready to erect at a moment's notice.

Senator GIVENS.—Then why not do it?

Senator PLAYFORD.—Because we cannot obtain the cordite cheaper elsewhere.

Senator GIVENS.—Is it any cause for surprise that the Minister was so enthusiastically cheered by the free-trade party when he used such arguments? We should consider this matter from a national standpoint.

Senator PLAYFORD.—We can pay as much for our whistle.

Senator GIVENS.—I cannot pay as much for anything that will insure national independence and the enjoyment of my liberty.

Senator PLAYFORD.—The honorable member need not trouble about his liberty; it is not at stake at present.

Senator GIVENS.—The Minister said a little while ago that there was no cause for alarm, as we were not likely to be invaded. If that be so, why do we need a defence system? Why do we expend £1,000,000 per annum on our defence when there is no danger?

Senator PLAYFORD.—Because, if we are not prepared to meet an enemy, we must be attacked.

Senator GIVENS.—But we are not prepared. All that an enemy would have to do would be to cut off our supplies.

Senator PLAYFORD.—We could manufacture them for ourselves.

Senator GIVENS.—It is too late to think of blocking up a leak in a dam when the dam is burst.

Senator PLAYFORD.—Look at the supplies we have on hand, and look at the machinery we have in the country for making cordite.

Senator GIVENS.—Let us make the machinery.

Senator PLAYFORD.—It will not pay to make the machinery.

Senator GIVENS.—It will not pay to make the machinery?

Senator PLAYFORD.—If you want to make the expense of all the ammunition for the community you will put up the machinery.

Senator GIVENS.—I am prepared to make that expense in order to get ten times the security that we have.

Senator PLAYFORD.—We should not have any more than now.

Senator GIVENS.—Nonsense! Are we to manufacture or repair big guns?

Senator PLAYFORD.—We have repaired

Senator GIVENS.—Nonsense!

Senator PLAYFORD.—We cannot do everything at once.

Senator GIVENS.—Let us proceed to make a beginning now.

Senator PLAYFORD.—Did the honorable member go to the dépôt the other day and see what we are doing in reference to torpedoes? He does not know half of what we are doing. We are repairing, and we are gradually increasing our tools and appliances, so as to be able to do more work in the future.

Senator GIVENS.—Will the Minister inform the Senate that it is contemplated to establish such a factory as I have indicated?

Senator PLAYFORD.—Let us have one factory at a time. We purchase cordite at a high price. If we were to manufacture cordite we should double the price. We have the machinery in the country to manufacture the cordite, and it could be erected anywhere if necessary. If a war were to break out we would commence to manufacture it for ourselves. Are we not prepared to an extent which is reasonable, are we not saving money? We are getting the cordite at half the price at which we could manufacture it. We have the machinery, the raw material, and the men to manufacture the cordite if necessary. A company here has got the plant everything ready to make the cordite at a moment's notice.

Senator GIVENS.—That is all beside the question.

[22]

Senator PLAYFORD.—Is it? We have made provision to meet an emergency.

Senator GIVENS.—The provision to meet an emergency must be ample and adequate, otherwise it is useless. The Minister says that we have incurred the initial expenditure, upon which I suppose we have to pay interest.

Senator PLAYFORD.—No; a private company has provided the machinery, which it would erect immediately it was wanted.

Senator GIVENS.—The machinery belongs to a private company, over which we should have no control. Suppose that everything the Minister says is absolutely correct, what does it mean? It means that if a war were started, and we were to find ourselves running short of ammunition, we could make heroic efforts to get this machinery started. Then, notwithstanding all the disorganization incidental to starting a new factory, notwithstanding the fact that there might be a break-down with the machinery, and that we might not have men absolutely capable to carry out everything to the highest degree of perfection, we should have to quietly sit down without ammunition, while we were waiting for the factory to be organized.

Senator PLAYFORD.—Nothing of the sort. We should have two years' ammunition in hand before we started.

Senator GIVENS.—That is in peace time.

Senator PLAYFORD.—No; in war time. The provision is for war time.

Senator GIVENS.—Will the Minister tell me how much ammunition we should require for a two years' war?

Senator PLAYFORD.—20,000,000 rounds.

Senator GIVENS.—Every particle of the cordite we had would be blown away before the expiration of two months.

Senator PLAYFORD.—I do not know how many rounds we have; but I believe we have 500 rounds for every rifle that we have in the country.

Senator GIVENS.—It would all be gone in three or four days.

Senator PLAYFORD.—That is in addition to a year's supply.

Senator GIVENS.—What I believe the people of Australia will insist upon is that we shall not rely upon machinery in the hands of private persons, who may or may not supply us with ammunition in time of danger. What the people require, and what I advocate, is that the Commonwealth

should set up a factory, and be prepared to enter upon the work of manufacturing at any moment. Ammunition is only one item. What about the arms? The Minister had to admit that the Government has not even contemplated the establishment of a factory in which rifles could be manufactured. He said, "We might set up some buildings where we could manufacture or repair the barrels."

Senator PLAYFORD.—That would be a start.

Senator GIVENS.—Why not make a start with the manufacture of stocks and locks as well as barrels? What particular charm is there in starting with the manufacture of only the barrels? What about the manufacture of big guns? In war time we might not be able to send them to England when disabled and dismounted. Our communications across the ocean in any direction might be cut off.

Senator PLAYFORD.—If the honorable senator thinks that a small Commonwealth will be capable of putting up an immense factory in which to make big guns he is expecting Australia to do what many of the great Powers of Europe do not do.

Senator GIVENS.—As a matter of fact, some very small Powers manufacture their own arms and ammunition. The Minister also said that it would be ridiculous to set up a factory for the sake of employing a few men for some months in the year. It is not a question of employing a few men or a thousand men. It is a question of national defence. If the defence of our national existence is not worth paying for, why do we have Commonwealth Ministers? I venture to say that the people of Australia will condemn the present haphazard, slipshod way of dealing with the defences. One of the chief arguments in favour of Federation was that it would insure efficient defence. If the defence system is not going to be made efficient, then so far will Federation have failed to achieve its object, and so far will the people have a right to complain that they have been deceived.

Senator DE LARGIE (Western Australia) [2.35].—It is somewhat inconsistent on the part of the Government, which proposed on one occasion to pay away £250,000 for the purpose of establishing an iron industry, to talk about running the Defence Department on purely commercial lines.

Senator PLAYFORD.—We are not saying that we intend to act on purely commercial lines.

Senator DE LARGIE.—No, and to judge from their present policy I do not think that the Government propose to run the Department on ordinary common-sense lines. They are simply pottering with the defences without attempting to do anything worthy of the name. I am quite satisfied that it is the business of the Department to supply the war materials which will be required for the manhood of the country should an emergency arise. All the raw material is to be found here. There is, perhaps, no finer country in the world for the production of iron than Australia. The only proposal which the Government have ever made for utilizing our rich heritage, and making Australia perhaps one of the greatest wealth-producing countries in the world, has been to pay away £250,000 in the shape of iron bonuses. Why do they not propose to spend that sum in the starting of an iron industry, arsenals, and other iron works which are absolutely necessary for the defence of Australia? If we are going to pay away money for the establishment of industries in Australia, let us begin with the establishment of industries which will benefit its defences. Surely common sense dictates that that is the line upon which we ought to proceed.

Senator PLAYFORD.—How much iron or steel would we use for making what we wanted?

Senator DE LARGIE.—The consumption in Australia would be quite sufficient to keep an up-to-date ironworks going. If we were to run these other branches of the industry, and so educate Australians to the art of making arms, we should have ample work to carry on an iron industry, and the cost, I am satisfied, would be no greater than the cost which we have to bear at the present time for our very unsatisfactory service.

Senator GRAY.—Large ironworks are being erected in New South Wales.

Senator DE LARGIE.—I have not much faith in those ironworks. I am afraid that they are only being built in order to justify the expenditure of £250,000 later on. I have lately returned from a visit to the North West coast of Australia. One can see at a glance the menace which Australia has to face at almost every port on that

One can see the Asiatics outnumber the whites by two to one, and Chinese carpenters erecting the only houses in Melbourne, Derby, and anywhere else where building is going on. The work is all done by Chinese carpenters.

Senator GRAY.—And there are 5,000 less in Australia to-day than there were at that time ago.

Senator DE LARGIE.—I cannot account for the number of Chinamen in Australia, but I know that there are more Asiatics in Australia, more particularly on the West coast, to-day than there were at Federation. Undoubtedly the Asiatics outnumber all the others. For instance, at Broome, 70 per cent. of the population are Japanese. But alongside the Japanese, Chinese carpenters are erecting the largest building which has yet been taken there. Not a white man is employed on the job. White men tendered the work, but they were cut out. What was a white man to tender successfully at Chinese? Again, at Derby the largest building is being constructed by Chinese carpenters. If one goes to hotels he will find that they are being run with coloured labour. One laughed this morning when I referred to a remark made by a Japanese Minister. When serving drinks in an hotel he said, "In the late war it was not Russia the Japanese were after at all. The Japanese had whipped the Russians, and were done with them for the time. What were aiming at was London. That is the object."

Senator GRAY.—Surely the honorable member does not take notice of what a man at a bar says.

Senator DE LARGIE.—These indications show the way in which the wind is blowing. Just as the Russians have had to do with the Japanese, so we may have to do so in the future. I hope that that day will not come, but the danger of a Japanese invasion exists. In their hour of success, we expect the Japanese to be superior to the Europeans? Has not success in arms had one effect upon a nation? Means, whether French, German, or British, have always suffered from swelled heads as the result of military achievements. Success in war will have the same effect upon the Asiatic imagination as upon the European imagination. Why should we turn our eyes to these dangers? I hold that we are to have a defence system

worthy of Australia, the present policy will have to be altered. To adhere to the present system is only to court disaster some day. The cadet system has been referred to. I am sorry that the same line of policy is being pursued here as in every other branch of the Defence Department. We see a pottering system introduced which bespeaks failure straight away. Why not put it into operation at once the resolution which the Senate passed last session? It suggests an inexpensive and very good way to arm Australians for the purpose of defence, but nothing practical is done. The same pottering policy is pursued with the cadets. These are matters in which the Government should take a more lively interest. Unless they do so, I am quite satisfied that Australia will be disgusted with the policy they are pursuing.

Schedule agreed to.

Postponed clauses 2, 3, and 4 agreed to.

Title agreed to.

Bill reported, without request; report adopted.

Bill read a third time.

SPECIAL ADJOURNMENT.

Senator PLAYFORD (South Australia—Minister of Defence) [2.48].—I move—

That the Senate at its rising adjourn until Wednesday, eleventh July.

At the end of the time mentioned I can promise the Senate that we shall have sufficient work to keep us occupied for some time to come. I cannot promise that there will not be another adjournment for a week or two in the course of the session, but that will depend entirely upon circumstances over which I and the Senate have no control. But when we meet on the 11th July we shall be kept well occupied three days a week, in accordance with our sessional orders. At present I have no work to go on with.

Senator GIVENS (Queensland) [2.50].—I intend to move an amendment, because I consider that the Government ought either to be prepared to bring before the Senate sufficient business to keep it occupied, or else should consent to an adjournment sufficiently long to enable all honorable senators to visit their homes. Last session, when three adjournments were proposed, I objected on every occasion, but I met with very little support, as *Hansard* will show. The Minister invariably assured us that he anticipated that there would be enough work

to do after the adjournment. But when we met again we found that the business occupied our attention only for a very short time, and that then there had to be another adjournment. If the Government were really desirous of keeping us well supplied with work, there would be nothing to prevent them bringing before us a number of Bills which are awaiting consideration. In order that I and some other senators may go home we should have to leave Melbourne next Wednesday. We should not reach home for eight days, and, even if we returned immediately, we should not arrive until three or four days after the Senate had met. If there is to be an adjournment, let it be sufficiently long to enable those senators who are situated as I am to go home. I move—

That the word "eleventh" be left out, with a view to insert in lieu thereof the word "eighteenth."

Senator STANFORTH SMITH (Western Australia) [2.55].—I do not think I have ever departed from the policy of objecting to these adjournments. I object to the treatment which the Senate is receiving from various Ministries. We have a short session before us. We did not discuss the Address-in-Reply at length, because we desired to proceed with the immense programme of legislation outlined in the Governor-General's speech. But now the Government tell us that they have nothing for us to do.

Senator PLAYFORD.—We have already polished off two Bills.

Senator STANFORTH SMITH.—Bills of absolutely no importance. They were simply non-contentious measures. We came here prepared to do the work of the country, and now we are told that we can go home again. That is the kind of leadership we have! It is extraordinary that we should be asked to adjourn before we have considered any of the really important measures mentioned in the Governor-General's speech. This session must close in October or November. Towards the end an immense amount of ill-considered and ill-digested legislation will be rushed through, and some valuable proposals will be left over for a future occasion. The source of the trouble is that Ministers do not allocate their legislation fairly between the two Houses. The excuse given is, first, that many of the measures are money Bills, which must be introduced in the other House; and, secondly, that the members

of the House of Representatives are twice as numerous as we are, and, therefore, take twice as long to transact business. That is partly true, but, at the same time, it must be remembered that the House of Representatives sits four days a week, whilst we sit only three. Furthermore, excluding money Bills, there is no excuse for the Ministry not bringing other important legislation before us early in a session. The Senate is simply becoming a recording House. We are called together merely to assent to something which has already been passed by the other House. Unless we make an effective protest against this treatment, the Senate will be put in exactly the same position as if it were the ordinary Upper House of a State Parliament. Under the States made their compact, called the Constitution, it was understood that the Senate would have equal rights with the House of Representatives with respect to ordinary legislation. But what is the result? We have in the Cabinet nine Ministers, seven of whom are in the House of Representatives and two in the Senate. We have here only one Minister with a portfolio. That is a very unfair allocation. The distribution of portfolios is also unfair, because the portfolioed Minister in the Senate is generally placed at the head of a department from which no proposed legislation emanates. We do not have the Amending Defence Bill more than once in two or three years. Therefore, that Minister usually has no departmental legislation of his own to submit. In the House of Representatives the Minister of Home Affairs, or the Minister of Trade and Customs, will introduce perhaps a dozen or half-a-dozen measures in a session. I entirely disagree with the policy which has been adopted that the Minister shall introduce the Bills after his own Department. It may be very well for a Minister to introduce the Bills which emanate from his Department, but not to place his own personal rights and interests before the interests of Parliament and the country? The consequence of this policy is that the Ministers in the House of Representatives introduce their own measures, and, apparently, there is no protest from honorable senators, although we are dismissed, only to be called together when there is some Bill for us to assent to. For instance, the Bill for the protection of Australian industries is of extreme interest to the people of the

health. That Bill is being discussed and carefully in the House of Representatives, and, naturally enough, the papers devote considerable space to debate. But when that Bill reaches the Senate the people at large are thoroughly tired of it, and have lost all interest in it, and, as no newspaper is foolish enough to report a debate on a subject already fully dealt with on another occasion, the public scarcely know that the Senate exists. The effect of making the House of Representatives the initiatory House is that the Senate is relegated to the position of an ordinary Upper Chamber; and so long as I remain a member I shall protest against our occupying that position. I protest against the allocation of portfolios, and of the Bills for introduction, as entirely unfair and opposed to the consideration into by the various Colonies of the Commonwealth was inaugurated. The result of the policy is that this is, in the opinion of the public, but simply a recording Chamber; and the position and power of the Senate really depends on the opinion which the people of the Chamber. Only the other day had a Melbourne newspaper speaking of the House of Representatives as the lower House, and of the Senate as a chamber of upper or recording Chamber. The dignity of the position is evident to one who knows the facts, but it is not evident to the people who read the newspapers. Honorable senators are elected on the same franchise, and by exactly the same individuals, the only difference being that our electorates are States, while the electorates of the House of Representatives are districts. Yet the fact remains that under the system, which it is intended to introduce, this Chamber becomes only a place for recording the decisions made in another place. The Senate is not so constituted as what the framers of the Constitution intended it to be as what honorable senators intended it; and if we submit to being dismissed in a very cavalier manner, on the ground that there are no Bills ready for us, though the Governor-General's Speech is filled with measures, the prestige of the Senate is lowered. In the United States the Senate exercises greater power than the House of Representatives. That is the position given to the Senate by the United States Constitution; but there are strong men in that Senate, and they make it a strong House. If the Senate allowed to sink into the position of a

mere recording Chamber we shall not get the best men of the community to enter it; and the result will be that the spirit of the compact entered into by the Colonies will not be carried out; the Senate will not exercise the rights and powers intended by the Constitution, and the rights of the smaller States will be jeopardized. The very object and intention of the bi-cameral system is that the smaller States shall be protected, and not out-voted by the larger States on great national questions—in other words, that the legitimate rights of the smaller States shall be conserved. Those rights are not conserved when we have Ministers who do not allow the Senate to exercise the powers which we undoubtedly possess.

Senator PLAYFORD.—Who prevents the Senate from exercising its powers?

Senator STANFORTH SMITH.—The Minister who asks the question is himself one; but I do not blame him more than I do any other Minister.

Senator MILLEN.—How does the honorable senator conserve the rights of the Senate by bringing us here next week when there is no work to do?

Senator STANFORTH SMITH.—That is not the question. I complain that the Government do not provide the Senate with business while the other House is being asked to sit early and late. The Audit Bill, for instance, might well have been introduced here, and yet it is proposed that we be dismissed for some weeks. The Senate ought to protest against the allocation of measures, and insist that as many shall be introduced here as in another place, exclusive, of course, of money Bills.

Senator PLAYFORD.—There have been three Bills before the House of Representatives, and three Bills before the Senate.

Senator STANFORTH SMITH.—The Bills submitted to us were of very little importance, and did not entail much discussion.

Senator PLAYFORD.—Neither did the Audit Act in another place.

Senator STANFORTH SMITH.—I make this protest, because I represent one of the smaller States, so far as population is concerned. I have no ill-will against this Ministry, any more than I had against any other Ministry, and I hope the present Ministers in this House will not think the contrary. I admit that adjournments are necessary from time to time, but I have

always objected and protested when the other House has been dealing with measure after measure, while we have been told there were no Bills ready for us, or that, if Bills were ready, it was desired to introduce them elsewhere. In anything I have said there is nothing of a personal nature. If honorable senators care to take the trouble, they can refer to my speeches, and they will see that, whenever an adjournment has been proposed, I have opposed it on the ground that the rights of the Senate ought to be preserved.

Senator MILLEN (New South Wales) [3.8].—Just as Senator Smith yesterday evinced a lack of judicial faculty, so today, I think, he is showing a remarkable failure of appreciation of the practical facts with which we are face to face. I agree with every word Senator Smith has said as to the unbusiness-like method in which the Government have apportioned the business between the two Houses. But how it can be regarded as a protest against the action of the Government, if we penalize honorable senators by bringing them together when there is no work to do, altogether passes my comprehension.

Senator STANFORTH SMITH.—If we refused to adjourn, the Government would have to provide us with some business.

Senator MILLEN.—Nothing of the kind. Some mention has been made of a vote of want of confidence; but Senator Smith would be the last to think of submitting such a proposal.

Senator STANFORTH SMITH. — I am a supporter of neither the Ministry nor the honorable senator's party.

Senator MILLEN.—If anything like a real live motion is submitted, Senator Smith is the first to take his seat behind the Government.

Senator STANFORTH SMITH.—That is absolutely incorrect.

Senator MILLEN. — The only times I ever have known Senator Smith vote against the Government have been on the occasion of innocent, harmless motions, which did not much matter either way.

Senator STANFORTH SMITH.—That is absolutely incorrect.

Senator MILLEN.—If it be desired to have a protest of some effect, let Senator Smith table a motion that will mean something. I should then be inclined to regard his protest as one entitled to our serious consideration. But the fact is that, from various causes—and here I agree with Senator Smith—there is absolutely no business

on our paper, nor can there be any worthy of serious thought for the next week or two. Are we to be brought from all parts of Australia, or kept waiting here, merely to meet you, Mr. President, in the afternoon and then adjourn? That is all very well for an amiable bachelor in the whirl of social engagements, who finds Melbourne an extremely pleasant place; but it is entirely different for those who have home ties, and appreciate them, and who have other business besides that of mere attention to public affairs. I do not think any honorable senator would hesitate to attend when there is work to do; but it is a monstrous proposition that we should be brought over week after week when there is no business.

Senator STANFORTH SMITH.—Let Senator MilLEN propose a motion that work shall be provided for the Senate.

Senator MILLEN.—Suppose I gave notice of such a motion for the next day of sitting, how would that settle the question of adjournment? If we suspended all the Standing Orders, and passed a resolution that, in our opinion, the Government ought to provide the Senate with work, would that help Senator Smith?

Senator STANFORTH SMITH.—Surely the opinion of the Senate ought to have some weight with the Minister.

Senator MILLEN. — The Minister already knows the opinion of the Senate.

Senator STANFORTH SMITH.—The honorable senator is only too anxious for a holiday, in order to get away.

Senator MILLEN.—Who is?

Senator STANFORTH SMITH.—The honorable senator himself.

Senator MILLEN.—I always am when there is no work to do; but when there is work I think it will be found that I am just as close an attendant as is Senator Smith, and at considerably more inconvenience than he experiences.

Senator STANFORTH SMITH.—No.

Senator MILLEN.—The honorable senator uses this place as a club.

Senator STANFORTH SMITH.—That is absolutely incorrect.

Senator MILLEN.—And as a very convenient and sociable club.

Senator STANFORTH SMITH.—It is far more inconvenient for me to attend here than it is for the honorable senator.

Senator MILLEN.—Those of us who have homes, and other business to attend to, do not desire to be kept here unnecessarily. The Minister of Defence, if he cared to be frank—if he were not under restraint owing

s Ministerial obligations—would, I agree with everything that has been said to the necessity for a fairer apportionment of the work; and I hope that before the debate is concluded he will give me assurance on the point. I am as strong as Senator Smith or any one else—as my votes and utterances will show—in urging a recognition of the rights of the Senate, and I should be glad to do anything to undermine these rights. But I do not see that we conserve the rights or the dignity of the Senate if we have a large number of honorable senators sitting here when there is nothing to do.

For that reason I intend to vote for the amendment moved by Senator Givens. An extra week will give greater facilities to members from distant places, such as Western Australia, to visit their homes; and, at the same time, the extra week can always, if necessity arises, be made up by our sitting on Tuesdays. It is a business-like proposition that we should sit on the sitting day of the week, and that when there is no work we should adjourn and meet on the following day.

Senator STANFORTH SMITH.—I desire to make a personal explanation. Senator Millen has made two statements which are absolutely incorrect in regard to myself. The first place, he said that I am a supporter of the Ministry. That is not the case. I have never supported any Government since I have been in the Senate. My one object has been to keep a record every pledge I made to my constituents; and when I go before them I must be in the position of a man who has kept his word.

The PRESIDENT.—The honorable senator must not argue when making a personal explanation.

Senator STANFORTH SMITH.—I am pointing out how absolutely incorrect Senator Millen's statements are.

The PRESIDENT.—In making a personal explanation, which cannot be debated, an honorable senator is only justified in pointing out how he has been misrepresented or misunderstood; he must not argue the point.

Senator STANFORTH SMITH. — Senator Millen made statements which I consider untrue regarding myself, and I have a perfect right to subject, of course—

The PRESIDENT.—The honorable senator has a perfect right to make a personal explanation, but not to use arguments.

Senator STANFORTH SMITH.—I think I have a perfect right to point out why I do not support any particular party.

The PRESIDENT.—That is argument.

Senator STANFORTH SMITH. — Senator Millen says that I support one particular party, and I wish to point out that I do not, and why I do not. This is not a party Chamber—

Senator MILLEN. — Mr. President, has any one the right to argue with you in this way?

The PRESIDENT.—I do not think so. If Senator Smith has the right to argue the point, then every other honorable senator has the same right. But the Standing Orders clearly lay down that, in making a personal explanation, an honorable senator shall explain only how he has been misunderstood or misinterpreted, and that he shall make the explanation as short as possible, and not argue.

Senator STANFORTH SMITH.—Well, sir, if you will not allow me to reply, I shall merely say that the honorable senator has no ground for the statement that it is infinitely more inconvenient for him to attend here than it is for me. I have had to give up my business, and to neglect my investments in Western Australia, in order to come here to discharge my duties as a member of this Parliament, yet Senator Millen, who is able to return to his business at the end of the week, makes the gratuitous and untrue statement—

The PRESIDENT.—Order; the honorable senator must withdraw that remark.

Senator STANFORTH SMITH.—I withdraw it.

The PRESIDENT.—The honorable senator should not have made such a statement.

Senator STANFORTH SMITH.—Senator Millen made an absolutely incorrect statement, and I certainly take exception to it.

Senator HIGGS (Queensland) [3.18].—We have been told by Senator Millen that he is as ready as is any honorable senator to maintain the rights of the Senate, but if he wishes to maintain its dignity he ought not to be so ready to vote for special adjournments.

Senator GIVENS.—The honorable senator voted for special adjournments last session as readily as did any one.

Senator HIGGS.—I do not remember the occasion.

Senator STANFORTH SMITH.—As a matter of fact, the honorable senator voted with me against such adjournments.

Senator HIGGS.—The representatives of the Government in the Senate do not take up as strong a position as the representatives of other Governments have done. Both Ministers appear to be quite willing that the Senate shall be merely a House of revision.

Senator PLAYFORD.—No.

Senator HIGGS.—So far the Bills introduced this session have been purely machinery measures.

Senator PLAYFORD.—No.

Senator HIGGS.—The Minister, in introducing them, told us that they contained little debatable matter. There are other measures on the notice-paper of the House of Representatives which might well have been introduced here.

Senator PLAYFORD.—They are Money Bills.

Senator HIGGS.—If we lose our prestige, it will be due to the readiness with which we have agreed to lengthy adjournments. Senator Millen was wrong in attacking Senator Smith as he did. Because that honorable senator happens to carry on his studies here surely he is not to be accused of something which might convey a very wrong impression to the public. When Parliament is not sitting this building has none of the comforts of a club. In such circumstances it is the most cheerless and dismal place one could enter. I sympathize with the desire of Senator Givens to return to Cairns, but I would point out that the journey to and fro would occupy sixteen out of the twenty-one days that would be available in the event of a three weeks' adjournment. I also sympathize with the representatives of Western Australia. As for myself, I shall be employed fully as a member of the Tariff Commission. In one respect the suggested adjournment would be advantageous to the Commission, since it would enable it to secure the services of the *Hansard* staff, and thereby save expense. I hope that those who support the amendment do not propose to follow the example of a certain honorable senator from New South Wales, who, it is reported, intends to avail himself of the opportunity to visit Queensland to prepare the way for Mr. Reid's electioneering tour.

The PRESIDENT.—Does the honorable senator think that is relevant to the motion?

Senator HIGGS.—I simply refer to it as constituting a possible objection to an adjournment over three weeks. I can assure the honorable senator that if he does go to Queensland the history of the Atmospheric Gas Company will be fully disclosed. I shall vote against a special adjournment, and, in any event, I shall vote against the amendment, because I think it is an unwise one.

Senator PEARCE (Western Australia) [3.21].—During the last five years I have frequently been asked to vote for special adjournments, on grounds that have generally prevailed with me, but on no occasion has there been such an adjournment as would enable the representatives of Western Australia to return to their homes. The present position is that the notice-paper, so far as Government business is concerned, is practically a blank, and it seems improbable that the Australian Industries Preservation Bill will be sent up from another place within the next fortnight. In these circumstances, as an adjournment seems to be inevitable, surely the representatives of Western Australia have a right to be considered. I am prepared to sit four, five, or six days a week when necessary to dispose of public business. Possibly the carrying of the amendment would teach the Government a useful lesson. It would show them that unless the Government are prepared to give the Senate some business to do, we may, so to speak, take the bit between our teeth, and when the Government are anxious to have a Bill speedily dealt with carry an adjournment against them. I shall vote for the amendment, and if it be rejected I shall vote against any adjournment such as is suggested by the Government.

Senator KEATING (Tasmania—Honorary Minister) [3.25].—Motions of the kind now before us invariably disclose that there is an idea in the minds of some honorable senators that unless this Chamber sits every week on which the House of Representatives does, an attack is being made upon its dignity and its rights. I would remind honorable senators that, whilst there are seventy-five members in the other House, the Senate has a membership of only thirty-six, and that if we apply ourselves to the discussion of all the business that comes before us in the same way as do Members of the House of Representatives, our sittings should only be half the number of those of that Chamber. I know, as other honor-

able senators do, that in the early days of the session the other House meets four days, whilst we sit only three days per week. But even in such circumstances it should be unnecessary for us to sit as many weeks as they do, assuming, of course, that we individually apply the same attention to the discussion of the measures brought before us as they do.

Senator MILLEN.—Or indulge in the same amount of talk.

Senator KEATING.—Let me put the matter in another way. I assert, without fear of contradiction, that the Senate gives as much attention as do the members of another place to the business submitted. I am also prepared to assert that we do not waste any more time nor introduce more irrelevant arguments than they do.

Senator Col. NEILD.—This Senate is not cursed with the same loquacity.

Senator KEATING.—I am simply stating that we do not indulge in any more irrelevant discussion, and that, therefore, in ordinary circumstances, we should not be called upon to sit as many hours per session as they do. Reference has been made to the indifference of the Government to the rights of this branch of the Legislature. It has been stated that the Government has abstained from introducing in the Senate as many measures as it might have done. I invite honorable senators to look back at the work of previous sessions, and I assert, without fear of satisfactory contradiction, that no other Government has originated in the Senate as many measures, proportionate to those originated in another place, as we did during last session.

Senator STANFORTH SMITH.—Can the honorable and learned senator mention an important one that was introduced in the Senate?

Senator KEATING.—One very important measure, which evoked a great deal of discussion, was the Copyright Bill. When that Bill was in the early stage of its consideration in Committee, we had honorable senators addressing themselves to a similar motion to this, and asserting that the Government had no business before the Senate. And yet the final stage in the consideration of that Bill was not reached for many an hour afterwards. The Government will always have charges of this kind hurled against it on such occasions as the present. We introduced this

week in the Senate two Bills, one the Designs Bill, to perfect our legislation with regard to industrial property, and the other a Bill relating to the establishment of the Department of Meteorology. How was the Government to foretell the extent to which honorable senators would address themselves to either of those measures? We were not in the position of prophets, and could not be expected to anticipate that the Senate would deal with those Bills so satisfactorily and expeditiously as it did. I congratulate honorable senators upon the attitude they took up with regard to those measures. We are glad that they have advanced these measures so far that they have been transmitted to the other House. But that House, for the reasons I stated, does not proceed so quickly with measures as we do. Senator Smith says that the Government is simply crowding the notice-paper of another place with business. But what do we find upon referring to its notice-paper for to-day? The first order of the day is the resumption of the debate on the second reading of the Australian Industries Preservation Bill.

Senator O'KEEFE. — Which could well have been introduced here.

Senator KEATING.—That may be so; but at present I am talking of the number of measures on the notice-paper of the other House. Surely that Bill does not crowd the notice-paper.

Senator STANFORTH SMITH.—The other House might take weeks to discuss that Bill.

Senator KEATING.—That is only one Bill. The Senate has already dealt with three Bills. The second order of the day on the notice-paper of the other House for to-day is the second reading of the Kalgoorlie to Port Augusta Railway Survey Bill. Honorable senators know that constitutionally it could not be introduced here. The third order of the day is the consideration in Committee of the Governor-General's Message relating to the Audit Bill, and the fourth order of the day is the second reading of that Bill. Really, those two orders of the day can, for present purposes, be taken together as practically one. The fifth and sixth orders of the day are Supply and Ways and Means, that is to say, further consideration in Committee. These orders of the day must be associated with the Supply Bill, which the other House has passed, and with which we dealt to-day. The Senate had on its notice-paper for to-day the Designs Bill,

the Meteorology Bill, and the Supply Bill, while the other House has practically upon its notice-paper for to-day the Australian Industries Preservation Bill, the Kalgoorlie to Port Augusta Railway Survey Bill, and the Audit Bill.

Senator HIGGS.—What is the good of the long Governor-General's speech if the Government have no more measures than those to submit?

Senator KEATING.—We have plenty of measures to submit. To-day I brought in the Eminent Domain Bill, a comprehensive measure which completely repeals the existing law on the subject.

Senator STANFORTH SMITH.—Cannot we go on with that Bill next week?

Senator KEATING.—So far as all these matters are concerned, the Government have not neglected the interests of the Senate. We have to remember the relative numerical strength of the two Houses when we come to consider whether the Senate should be always asked to sit for the simple and sole reason that the other House is sitting. That, it seems to me, is the underlying fallacious idea in the minds of some honorable senators who have spoken to this question of adjournment.

Senator STANFORTH SMITH. — The majority of the most important Bills are introduced into the other House.

Senator KEATING.—My honorable colleague has moved the adjournment of the Senate to a certain date. I understood that long before this discussion began there was a common understanding on the part of honorable senators generally and my honorable colleague that an adjournment was to take place about this time, and that it was to be for a fortnight. Of course, if I was under a misapprehension in that respect I must suffer the consequences, but I merely rose for the purpose of pointing out that in determining whether the Senate's privileges and rights are being assailed we must bear in mind the fact that we have only half the numerical strength of the other House, and that in discussing public matters we are not disposed to enter into so much controversy, perhaps, as its members do on points which are not directly involved.

Senator DOBSON (Tasmania) [3.35].—The question of adjourning is getting a very serious one, and upon the whole my sympathies are with Senator Smith. But I quite admit that there is no use in bringing honorable senators here if there is no business for them to do. I believe, however, that

with a little more thought and arrangement there might have been, and I believe there is, business to be done next week. The session is bound to be exceedingly short. Every effort ought to be made to hold the elections early in November. It is quite likely, as Senator Smith suggests, that at the end of the session we shall be slaughtering "innocents" because we have more measures than we can deal with. We ought to go on with work if we can get it, and take a holiday afterwards. I admit that it may be necessary to take a holiday occasionally owing to the fact that in ordinary circumstances we must sit much less frequently than the other House. But I contend that we ought to take our holiday later on when there is absolutely no work to do. Senator Keating has the Eminent Domain Bill to proceed with next week, and I understand that there is a Quarantine Bill which he could have to go on with. I was astonished at the statement of Senator Playford the other day that two Bills had been introduced into the other House which might have been introduced here, and that he was not aware that they were going to be originated there. I gathered from his remarks that not one moment's consideration had been given by the Cabinet to the question of how the work was to be allotted between the Houses. Honorable senators have a perfect right to complain that more attention has not been given to this important matter. I would ask Senator Playford whether he thinks it right and proper for the other House to commence its work with the consideration of the most contentious Bill of the session, and then for him to tell us that there is no work for the Senate? Next week the other House ought to drop the Australian Industries Preservation Bill for the time being, and deal with the Statistician Bill and the High Court Judge Bill, so as to give us some work by the end of next week. I do not believe that the other House has ever paid the slightest attention to all our protests, and it seems determined to ignore us. The two Ministers I see before me are quite sufficient to protect the dignity and rights of the Senate if they would only act. Why do they not act?

Senator PLAYFORD.—I cannot go down and bully the other House, can I?

Senator DOBSON.—I did not suggest any such thing, but I suggest that in Cabinet these matters should have been considered and arranged.

ator PLAYFORD.—We like to bring our most important and most vital business first.

ator DOBSON.—That interjection increases my suspicion that not the slightest consideration has been given to the rights of the Senate or the convenience of honorable senators. The Government could have given the Senate more work to do if my honorable friends had taken up a firm position in the Cabinet.

ator PLAYFORD.—It will be the same at the end of time, and would be the same if the honorable senator were in the country.

ator DOBSON.—I do not think I can recognise the folly of coming here if there is no work to be done, but I believe that there is work to be done next week.

If the consideration of the Australian Industries Preservation Bill were adjourned for a week there might be work done for the Senate for the week afterwards, and then if we saw no work ahead for two or three weeks, we could adjourn. Senator Playford has practically admitted that there has been no attempt to arrange business so as to give the Senate work. At the moment we assembled he began to talk about giving us a three weeks' holiday. I have never left my business previously in such inconvenient circumstances as I did.

Business matters of very great importance are given over to others in order to come here, merely to be told that I have a three weeks' holiday. If we only received a circular saying that in such circumstances there would not be much work to be done for two or three months, we might have made different arrangements.

I was rather astonished to hear that Senator Pearce says that if he cannot get an adjournment for three weeks he will support the proposal for any adjournment, and will compel the Senate to meet, although he knows that there is no business to submit. I do not believe that he will do anything so unjust. As there is a difference of opinion between honorable senators, I think that the Government should adhere to their position.

Senator MCGREGOR (South Australia).—I am sorry that honorable senators do not exhibit a little more sympathy with each other. Even Senator Dobson, after a long growl, admits that the Senate cannot sit as continuously as the other House. Yet he wants the Senate to meet for a week, and if there is not enough work

to be done, to adjourn over the week following, then to sit for a week, and afterwards to take another week's holiday.

Senator DOBSON.—I distinctly said the contrary.

Senator MCGREGOR.—What advantage would that be to those whose homes are in Queensland or Western Australia? Senator Smith says that the convenience of an individual senator should not be considered. That is a very selfish view to take. If the interests of only one senator can be served, without interfering with the business of the country, it is the duty of every other senator to meet his wish. If by adjourning for three weeks we can permit some senators to go to Queensland, or even one senator to go to Western Australia, we ought to do so if we feel certain that it will not interfere with the business of the country. I feel sure that it will not interfere with public business, because even Senator Dobson admits that if we were to come back next week the business would be transacted in the course of a few days, and then we should have to adjourn for a week.

Senator DOBSON.—No; I said for two or three weeks.

Senator MCGREGOR.—Why not have a proper adjournment, then come back to deal with a full notice-paper, and have no more adjournments? Senator Smith is in a different position from Senator Pearce, because the latter has a wife and family in Western Australia, whom he would like to see. Senator Smith has neither wife nor family. Probably his attachments are stronger in Melbourne than in Western Australia, and his interests can best be served by being kept here every day. I shall support the amendment. I am surprised at the attitude of Senator Higgs. From the knowledge which he possesses he ought to support an amendment of this description. He must know that the proposed adjournment will really save money to the Commonwealth.

Senator HIGGS.—I said it would. I mentioned that the Tariff Commission would get the services of the *Hansard* reporters.

Senator MCGREGOR.—Then, in the interests of the Commonwealth, it is my honorable friend's duty to support the adjournment for three weeks. It would be very selfish to prevent any honorable senators visiting their homes when an adjournment would not interfere with the work of the country, but, on the contrary, would be

the means of saving a little money to the tax-payers.

Senator O'KEEFE (Tasmania) [3.45].—I have no desire to interfere with the convenience of the Queensland and Western Australian senators, who have told us that a fortnight's adjournment would be useless to them. But I am opposed to all such adjournments, and should like to see the motion defeated. If, however, there is to be an adjournment, we may as well meet the convenience of as many honorable senators as we can. Trouble of this kind will constantly arise while successive Governments take up the same attitude towards the Senate as the present Government does. Until we have another portfolioed Minister in the Senate, we shall never be satisfactorily treated. While I have a high appreciation of the work of the two Ministers who are in charge of business here, I think that a proper share of legislative business is not being initiated in this Chamber, as would be the case if we had two Ministers with portfolios here. The Bill that is occupying the attention of another place to-day might just as well have been introduced in the Senate. Although we are told that there is a constitutional difficulty about initiating the Kalgoorlie to Port Augusta Railway Survey Bill, I am not sure that that difficulty could not have been got over either by submitting a declaratory resolution or in some other way.

Senator KEATING.—The honorable senator should recollect that all the principal Home Affairs measures were originated here last year.

Senator O'KEEFE.—But those measures were not contentious. The Amending Electoral Bill, for instance, cannot be said to have been a contentious measure. Nothing like the same number of contentious measures have been introduced into the Senate as were initiated here in the first session of the first Parliament. I am opposed to an adjournment for any term.

Senator TURLEY (Queensland) [3.50].—I see no necessity for the Senate to adjourn. A forecast appeared in the Australian newspapers prior to the commencement of this session, from which most of us were under the impression that there would be a considerable amount of work to do. We drew the inference that there would be sufficient to keep both Houses going. We have had only six meeting days, and we are now informed that there is practically nothing for us to do. If that is the way in which business is to be conducted, the ultimate

effect will be that very few senators from distant parts of the Commonwealth will think it worth while to come to Melbourne until a month or two after Parliament has been called together. They will simply say, "Judging from previous experience, it is of no use to go down to Melbourne for a week or two. There is bound to be an adjournment after a few days." The result will be that the Senate will be looked upon as a great deal worse than many Upper Houses are in the States. It is the fault of the Government, that we have not enough work to do. It is their business to furnish measures for us to discuss. I am well aware that there are only half as many senators as there are members of the House of Representatives, but it must be recollected that while we sit only about seven hours per day, three days a week, the other place sits eight and ten hours, sometimes longer, four days a week. In spite of what has been said as to suiting the convenience of some honorable senators, it is quite outside the duty of this Senate to arrange its business in accordance with the distance from Melbourne that some of us happen to live. We are selected to do the work of the country. I can quite conceive of a senator from Western Australia living, perhaps at Broome, or somewhere in the far north. An adjournment for any time less than two months would not enable him to go home. It is not the duty of the Senate, in arranging its business, to consider where senators live. I shall vote against any adjournment.

Question—That the word "eleventh," proposed to be left out, be left out—put. The Senate divided.

Ayes	...	...	...	12
Noes	...	...	...	7
				—
Majority	...	...	...	5
				—

AYES.

Baker, Sir R. C.	Pearce, G. F.
Dawson, A.	Playford, T.
Gray, J. P.	Trenwith, W. A.
Henderson, G.	Walker, J. T.
McGregor, G.	
Millen, E. D.	<i>Teller:</i>
Neild, J. C.	Givens, T.

NOES.

de Largie, H.	O'Keefe, D. J.
Dobson, H.	Turley, H.
Guthrie, R. S.	<i>Teller:</i>
Higgs, W. G.	Smith, M. S. C.

Question so resolved in the affirmative.

Question—That the word "eighteenth" be inserted—put. The Senate divided.

Ayes 13

Noes 7

Majority 6

AYES.

Baker, Sir R. C.
Dawson, A.
Gray, J. P.
Henderson, G.
Keating, J. H.
McGregor, G.
Millen, E. D.

Neild, J. C.
Pearce, G. F.
Playford, T.
Trenwith, W. A.
Walker, J. T.
Teller:
Givens, T.

NOES.

de Largie, H.
Dobson, H.
Guthrie, R. S.
Higgs, W. G.

O'Keefe, D. J.
Turley, H.
Teller:
Smith, M. S. C.

Question so resolved in the affirmative.

Question—That the Senate at its rising adjourn until Wednesday, eighteenth July—put. The Senate divided.

Ayes 13

Noes 7

Majority 6

AYES.

Baker, Sir R. C.
Dawson, A.
Gray, J. P.
Henderson, G.
Keating, J. H.
McGregor, G.
Millen, E. D.

Neild, J. C.
Pearce, G. F.
Playford, T.
Trenwith, W. A.
Walker, J. T.
Teller:
Givens, T.

NOES.

de Largie, H.
Dobson, H.
Guthrie, R. S.
Higgs, W. G.

O'Keefe, D. J.
Turley, H.
Teller:
Smith, M. S. C.

Question so resolved in the affirmative.

INTRODUCTION OF MICROBES: RABBIT PEST.

Debate resumed from 21st June (*vide* page 534), on motion by Senator O'KEEFE—

That, in the opinion of the Senate, as the introduction of the microbes proposed by Dr. Danysz for the destruction of rabbits in the State of New South Wales may prove inimical to human and other animal life of Australia, it should not be permitted except for laboratory experiments, until such time as Parliament or the Government, if Parliament is not in session, is satisfied that outside experiments will be harmless.

Senator TURLEY (Queensland) [4.7].—I do not know that the motion means so much, now that it has been amended, as it meant before. I could understand the arguments that are used by some honorable

senators if they referred to land held in very small areas in places where an industry has been created by the rabbits as a commercial commodity. But, from the point of view of other States interested, the rabbit pest is a very large and important question. We are told that there are a number of men employed in the rabbit industry in New South Wales and Victoria, but in Queensland there is no industry in this connexion except that which is carried on by men altogether employed in the destruction of rabbits as a pest. No question of food supply arises in Queensland; while millions of rabbits are destroyed in that State, not one goes into consumption as food or as a means of supplying skins or fur.

Senator MCGREGOR.—No wonder the people are poor in Queensland!

Senator TURLEY.—I do not know that they are quite as poor as are the people in the State which Senator McGregor represents. At any rate, at one time Queensland had the greatest debt per head in Australia, but that honour, I think, is now enjoyed by South Australia, which is to that extent poorer than any other State of the Union. The rabbit pest has come to Queensland, not from the coast, but from South Australia and New South Wales. Possibly the country over which the rabbits previously ran was so bad that they, like other animals, migrated to where they could obtain the best food supply. Anything that can be done to relieve our big primary industries from this plague would do a great deal of good to Australia as a whole, putting aside those employed in catching and preparing rabbits for export or consumption within the Commonwealth. Up to the present time Queensland has expended a very large amount in its efforts to cope with this pest. I have figures supplied in the annual report of the Queensland Department of Public Lands for 1904; and it appears that the estimated length of all rabbit-proof fences at the end of that year was:—Government border fences, 732 miles; Board fences, 5,250 miles; pastoral lessees' fences, estimated, 7,825 miles; grazing selectors' fences, estimated, 1,655 miles—a total of 15,462 miles. All this fencing has been erected with the object of coping with the pest, and, in addition, the keeping of the fencing in order has involved considerable expenditure. During the last few months there have been floods in that part of the

country, and, in order to repair the breakaways, a number of men, in addition to the ordinary boundary riders employed by the Rabbit Boards and others, have had to be engaged. These breakaways are a source of considerable danger, because they may leave it open to the rabbits to invade country which may be regarded as to some extent clean. According to the same report, the total cost of the measures taken against the rabbit pest in Queensland is, approximately, as follows:—Cost of border fences, £199,424; loans to Boards, £49,884; netting supplied to Boards, £165,346; assessments on run-holders, £427,250; interest paid by run-holders—on netting to the value of £98,916 3s. 4d., supplied by the Government—and paid over to the Board, £28,631; Central Board expenditure, £90,536; cost of private fences over and above the cost of ordinary fences, estimated, £335,000—a total of £1,296,071.

Senator MILLEN.—And that expenditure is still being added to.

Senator TURLEY.—That is so, and not a penny-piece has been realized in Queensland from rabbits as a commercial commodity. This question was raised last year, and it was pointed out that in such country as that to which I refer, where land is held in very large areas, it is almost useless to attempt to cope with the pest until their is sub-division. It may be comparatively easy to deal with the pest in settled districts, where 5,000 acres is considered a large holding; but in southern Queensland, where one run may comprise 2,500 or 3,000 miles of country, considerable expenditure must be undertaken. We have experienced great difficulty in Queensland, and the cry of the damage caused by rabbits has frequently been raised by some persons with a view of getting their land from the Crown at a reduced rental. As the result of the drought, and the invasion of the State by rabbits, the rental value of land in Queensland has been reduced, and the revenue has suffered by the re-appraisal of land so visited. The havoc wrought by the rabbit pest, as well as by seasons of drought, has caused an area more than half the size of Victoria to be thrown up. I think it is reasonable to provide that, as long as the introduction of these microbes might prove inimical to human and other animal life in Australia, we should keep a firm hand on the experiments; but I am glad that the motion has been amended

by Senator O'Keefe. As it stands, it will enable steps to be taken to rid Australia of the rabbit pest, in the event of the experiments proving satisfactory, and I do not think any one who is familiar with the back country of the Commonwealth, would hesitate to say that every rabbit here should be destroyed.

Senator O'KEEFE (*Tasmania*) [4.20].—I have only to say in reply that I trust the motion will be carried. Those who have opposed it have done so only on the ground that we should not prevent the experiments being carried on outside the laboratory, as soon as it has been demonstrated to the satisfaction of all parties that experiments so conducted would be harmless. I think that the motion, as amended, ought to meet the views of these honorable senators. If the scientists appointed to watch the proceedings on behalf of the Government are satisfied that experiments conducted outside the laboratory would be harmless, the motion will not prevent the adoption of that course.

Senator MILLEN.—There would be nothing except a vote by Parliament.

Senator O'KEEFE.—In the circumstances, I do not think Parliament would be likely to interfere.

Senator GUTHRIE.—I beg to call attention to the state of the Senate. [*Quorum formed.*]

Question resolved in the affirmative.

Senate adjourned at 4.22 p.m.

House of Representatives.

Friday, 22 June, 1906.

Mr. SPEAKER took the chair at 10.30 a.m., and read prayers.

WESTERN AUSTRALIAN POSTAL SERVICE.

Mr. CARPENTER.—I wish to ask the Acting Postmaster-General, in reference to the changes in the post and telegraph service of Western Australia referred to by the honorable member for Kalgoorlie last night, and more particularly in reference to the statement that officers were appointed to the positions of other officers removed on their report, whether, in laying on the table the papers which he has promised, he will also obtain from the Public Service

Commissioner an explanation of what appears to be a somewhat serious anomaly, which has already caused consternation in the Public Service?

Mr. EWING. — While I do not object to give the House all the information obtainable in the matter, I do not wish it to be thought that, in my opinion, the Public Service Commissioner has acted in any way contrary to his duty. I do not wish to be understood as making any statement at all in regard to his actions.

AUSTRALIAN INDUSTRIES PRESERVATION BILL.

Mr. FOWLER. — It is stated in the newspapers that the Government intend to make amendments in the Australian Industries Preservation Bill, and I wish, therefore, to know if they are willing to provide that the prohibition of imports shall be subject to an undertaking on the part of the local employers thereby protected, that their employes will be paid Australian rates of wages, and allowed to enjoy just and reasonable industrial conditions.

Mr. ISAACS. — Consideration for rates of wages and reasonable industrial conditions is one of the reasons for the Bill, but regard will be paid to the subject by the Government under all circumstances.

OCEAN MAIL CONTRACTS.

Mr. FRAZER. — Is the Acting Postmaster-General in a position to inform the House whether the Government intend to accept tenders for an ocean mail service before the report of the Shipping Commission has been presented?

Mr. EWING. — I am satisfied that any action by the Government in the matter will be taken with due regard to the report of the Royal Commission.

PRIVATE LETTER BOXES.

Mr. BAMFORD. — Is the Acting Postmaster-General aware whether it is a fact that the private letter boxes supplied to the various post-offices are made in America? Is it not possible to make these boxes, or parts of them, in Australia?

Mr. EWING. — I do not know where the boxes are made; but it is the policy of the Government to have everything that can be made in Australia made here, and there should be enough ingenuity in the Commonwealth to provide for the manufacture of such boxes here.

GOVERNMENT IMPORTATIONS.

Mr. MAUGER. — When will the return showing the goods imported by the Government be laid on the Table? I wish to see what they are importing, and what they are using of goods made, here.

Mr. EWING. — The Government will endeavour to allay the honorable member's anxiety on the subject at the earliest moment.

Mr. PAGE. — Will the Government bring in a Bill to prohibit all importations into Australia, and to prevent the immigration of men, women, and children? That is apparently what is wanted by some honorable members. Where would the honorable member be now, if he had not been imported?

Mr. MAUGER. — I was not imported.

TARIFF COMMISSION.

Mr. JOSEPH COOK. — I wish to ask a question of one of the members of a Royal Commission.

Mr. SPEAKER. — To what Commission does the honorable member refer? The Standing Orders permit questions to be asked of any private member in relation to business before the House of which he has charge.

Mr. JOSEPH COOK. — I should like to ask the honorable and learned member for Illawarra, or the honorable member for Perth, if either is willing to answer the question, whether the Tariff Commission is likely to report soon on the question of metals and machinery?

Mr. SPEAKER. — I should not like this case to be made a precedent. As the Tariff is, in a sense, the business of the House, I should have little hesitation in permitting the Chairman of the Tariff Commission to reply to such a question, but I doubt the propriety of permitting another member of the Commission to answer the question in his absence.

Mr. JOSEPH COOK. — Then I withdraw my question.

Mr. FULLER. — Personally, I object to giving any information in regard to the doings of the Commission, because I think that such information should come through the Chairman.

OVERTIME, SYDNEY POST OFFICE.

Mr. BROWN asked the Acting Postmaster-General, *upon notice*—

1. Is it a fact that a considerable amount of overtime work obtains in the General Post Office, Sydney?

2. Is overtime paid for, and, if so, on what basis?

3. What amount of payment for overtime has accrued during the present year?

4. Is it proposed to reduce this overtime work?

Mr. EWING.—The Acting Deputy Postmaster-General, Sydney, has furnished the following information:—

1. Yes.

2. Payment for "overtime" is made to officials of the General Division, chiefly Mail Branch officials and fitters in the Telephone Branch. Payment for Sunday duty is made to all officers participating therein. In both cases, payment is made in accordance with the Regulations. When officials in the Clerical Division are required to work after regular hours, tea-money is allowed in accordance with the Regulations.

3. The amount chargeable to item "Overtime and tea-money" and paid to date is £5,756 2s. 9d.; this includes Sunday duty pay to all officers throughout the State. The amount of overtime, exclusive of Sunday pay and tea-money paid to officers of the General Post Office during present financial year is £530 4s. 1d.

4. Inquiries are now being made with the view of reducing overtime and Sunday duty if possible.

RELIEVING POSTMASTERS.

Mr. BROWN asked the Acting Postmaster-General, *upon notice*—

1. Is it a fact that in the State of New South Wales a number of postmasters are absent from their offices on relieving duties?

2. What are the offices thus affected, and for what periods?

3. What are the purposes sought to be served by requiring postmasters to take up relieving duties?

4. Do relieving officers receive the salary allocated to the office the duties and responsibilities of which thus devolve upon them?

5. Is it a fact that the Department is short-handed in respect of its relieving staff, and that delays are occasioned thereby in the matter of transfers and arranging for holidays, &c.?

6. How is it proposed to provide for such delays?

Mr. EWING.—The Acting Deputy Postmaster-General, Sydney, has furnished the following information:—

1. There are at present in New South Wales, eight postmasters absent from their offices on relieving duty.

2. Bourke, Grafton, Orange, Bombala, Millthorpe, and Tilpa; periods in these cases indefinite. Lismore, about six weeks, terminating about 14th July. Denman, three weeks, from 20th June, 1906.

3. Postmaster, Bourke, acting as inspector; he has been recommended for permanent appointment as inspector. Postmaster, Grafton, acting as inspector, filling vacancy temporarily. Postmaster, Lismore, acting as inspector in the absence of Mr. Inspector Brewer, who is ill. Postmaster, Orange, acting as postmaster, Denili-

quin, pending the appointment of a successor to Mr. G. S. Hay (appointed inspector). The postmaster at Orange was allowed to so relieve at his own desire, in order to escape the winter climate at Orange, and because the arrangement was the most economical practicable. Postmaster, Bombala, lately appointed, has been acting as postmaster, Newcastle, for a considerable time, in the absence of Mr. R. W. Arnott, who was acting as, and has lately been appointed, inspector; required at Newcastle till the new postmaster assumes control. Postmaster, Millthorpe, was brought to Sydney at his own desire, on account of his wife's health, five years ago, and has been retained there for the convenience of the Department, and is now relieving pending his possible transfer from Millthorpe. Postmaster, Tilpa, relieving postmaster at Bellingen, whose retirement from the Service was approved to take effect from the 1st June, 1906. His service has now been extended for twelve months. Postmaster, Tilpa, urgently desired change to coast for the sake of the health of his family. Postmaster, Bellingen, desires duty inland; the question of temporary exchange is now under consideration. Postmaster, Denman, sent to Muswellbrook to relieve postmaster who urgently required sick leave; no other suitable arrangement practicable.

4. No. Postmaster relieving retain the salary attached to their own offices.

5. Yes, there is a shortage of relieving officers, delays consequently sometimes occur in relieving postmasters desiring leave of absence, or whose transfer has been approved.

6. The question of increasing the relieving staff is under consideration.

AUSTRALIAN INDUSTRIES PRESERVATION BILL.

SECOND READING.

Debate resumed from 20th June (*vide* page 496), on motion by Sir WILLIAM LYNE—

That the Bill be now read a second time.

Mr. GLYNN (Angas) [10.40].—Through the courtesy of the honorable and learned member for Illawarra, I am able to precede him in saying a few words on this Bill; but, as I spoke on a similar measure last year, I do not intend to do more than make a cursory reference to some of the points which, in my mind, indicate that there is really no necessity, on the ground of urgency, for a Bill of the far-reaching character of that proposed. If my memory serves me right, we were told by the Minister of Trade and Customs, when he introduced the Bill of last session, that the legislation was urgent, because there were some 2,000 harvesters afloat on their way to Australia, and, like the companies which fear their importation, they are apparently still afloat. We were also told, at the time of the appointment of the Tariff Commission,

that an alteration of the Tariff was necessary for the preservation of certain industries; but it seems to me a reflection on the House which suggested the appointment of that Commission to ask it to deal with matters specially referred to it before the report and minutes of evidence have been presented.

Mr. FOWLER.—It is certainly a gross reflection on the Commission.

Mr. GLYNN.—The sooner the Commission reports the better, in my opinion. I, like other members of the Opposition, am prepared to deal fairly with the facts produced in evidence and the reports based on them, and, so far as the little leisure at my disposal will give me the opportunity, I have already made myself acquainted with that evidence, having some months ago read some of the 16,000 or 17,000 questions and answers then recorded in respect of certain industries. But I have not discovered any justification for the immediate introduction of this Bill, or for the fears of certain honorable members that the iron industries of Australia cannot be preserved without a measure of this sort, or except by prohibitive duties. So far from the iron industry being prejudiced by the Tariff of 1901, I find that in Victoria the number of iron workers increased between 1896 and 1904 by over 30 per cent., that the hands employed in the making of agricultural implements increased from 852 to 1,496, and that the value of the implements made increased from £244,000 to £431,000. Notwithstanding the clamour which has come from this State for an alteration in the Tariff, those figures do not indicate a declining energy, or a want of return for capital invested. Mr. Moore, a representative of the firm of Messrs. Robinson and Co., was, I think, put forward as an exponent of the views of the manufacturers of agricultural implements, or, at all events, of that branch of the trade whose business is the manufacture of harvesters. He was asked—

How do you put your case?

And he answered—

Briefly, I claim that a duty should be imposed which would cause the importation of stripper-harvesters to be discontinued.

The effect of this Bill will, under political pressure, probably be to carry out that policy of stopping importations. At all events the power proposed to be given is a dangerous one to place in the hands of any Minister. We must remember that those

who are engaged in these industries are being organized. A number of peripatetic politicians have been stumping the country dealing with these matters, not merely on the public platform, but in the establishments, with a view to inducing the employes to use their influence to secure the duties suggested and the powers conferred by this Bill. According to the evidence that has been published the duty of 12½ per cent. that has to be paid on harvesters according to the valuation fixed by the Minister of Trade and Customs—that is the value at the place of export plus 10 per cent., or in all £65—amounts to £8 2s. 6d. Under the former valuation the duty amounted to £5 6s. The charges, it is said, amount to £14 7s.; that is the actual additional value that is given to the machine during its transit from the port of export to the warehouse in Australia. That has to be added to the duty. I am speaking subject to correction, but these figures are in accordance with the best evidence that I can obtain. They have been published, and the estimates are sustained by the evidence given before the Tariff Commission. Testimony has also been given by representatives of local harvester manufacturers, from which it would appear that the cost of producing a machine here does not exceed £40. Again, I am speaking subject to correction. It was stated that the cost of materials used—£26 or £27 per machine—represented 75 per cent. of the total cost, and that the value of the labour represented about 25 per cent. of the cost. According to this, the total cost of a machine would be something less than £40. The duty and the import charges that I have mentioned represent a total of a little less than £23 per machine upon an article which, according to the evidence, is sold for £81 cash, or for £86 or £87 on credit.

Mr. HENRY WILLIS.—That is not too much to pay for a machine.

Mr. GLYNN.—I do not know whether it is or not. I am merely stating the facts as given in evidence. Whilst I desire to deal fairly with the local manufacturers, and to prevent any possibility of foreign trusts pushing them out of the market, it seems to me that, in the face of the figures I have quoted, there is no urgent necessity for a Bill such as that now before us. A report was presented to us last year showing that from 1st January, 1905, to 30th November, 1905, the value of the harvesters

imported was £100,000, and that during the same period there had been exported from Australia harvesters valued at £30,000. If the figures given by the Minister of Trade and Customs last week are correct, there has been a shrinkage in the value of the harvesters imported since these figures were presented.

Mr. KENNEDY.—The honorable and learned member is quoting last year's figures—no figures are yet available for this year.

Mr. GLYNN.—I understood that the Minister estimated that the value of the importations during the present year would be £85,000. If that estimate be correct, there has been a shrinkage in the importations. I fully realize that the profits made by the local manufacturers vary with their output, the scope of operations of particular firms, and other circumstances. But it has been given in evidence that manufacturers make a profit of about £18 per machine.

Sir WILLIAM LYNE.—Yes, a clear profit of from £16 to £18 per machine.

Mr. GLYNN.—If it be true that there is a local consumption of 5,000 or 6,000 machines, and that the three firms who are turning out the greater number are making a profit of from £16 to £18 per machine, the conditions in which the industry is placed do not strike me as being disastrous. The industry is not, as far as I can see, in imminent peril, and there is nothing to call for a Bill of this character, which would put it in the power of any complaisant Minister to stop the importation of any goods, and would substitute for the Tariff Commission a jury whose standard would vary according to its *personnel*, and a board, the members of which might, perhaps, in time, become experts, because the *personnel* would not be so mixed as would that of the jury.

Sir WILLIAM LYNE.—The industry in South Australia has been almost crushed out.

Mr. SKENE.—Could the honorable and learned member say how many machines would be represented by the imports valued at £85,000?

Mr. GLYNN.—No. I believe that last year, or the year before, 400 machines were exported from Australia. The Minister of Trade and Customs says that the industry has been crushed out in South Australia.

Sir WILLIAM LYNE.—It has sustained very great injury.

Mr. GLYNN.—I should be only too anxious to protect the industry there if the Minister's statement were correct.

Sir WILLIAM LYNE.—It is correct.

Mr. GLYNN.—I have two or three manufacturing centres in my district, and naturally I should like to do everything I could to help them.

Sir WILLIAM LYNE.—Are Clutterbuck Brothers in the honorable and learned member's electorate? It is through them that the manufacture of harvesters has been nearly stopped in South Australia.

Mr. GLYNN.—I know a little more than the Minister seems to think about this matter. I should do my best to protect the industry if I thought the fears of the Minister were justified, seeing that in my district there are three centres which are concerned in the manufacture of harvesters. Naturally, I should do my best for the industry, consistent with a due regard for the interests of the people as a whole. Again, at question 15901 of the evidence given before the Tariff Commission, Mr. Moore was asked—

Can you say of your own knowledge, whether firms are suffering loss from the operation of the Tariff?—None that I know of are losing.

At question 16175, he was asked—

Are you now getting no more than the same rate of profit that you did before?—Perhaps a little more.

Nevertheless, he asked for a duty of £25 per machine, and 2½d. per lb. upon duplicate parts, which would bring the protection upon a machine of standard weight up to £30. That is the evidence of Mr. Moore, the manager for Messrs. Robinson and Company, who was put forward as a man fairly conversant with the business, and as a representative of the local manufacturers. That evidence was given on the 20th April, 1904. Mr. Moore said that at that time the American machines were not underselling those of the local manufacturers. There has been a reduction in the price since. I think that the price of the International Harvester Company's machines in Australia is now £76.

Mr. KENNEDY.—Less than that.

Mr. GLYNN.—I have made inquiries into this matter, having been engaged in a case against an importing company, and, so far as I can understand, the present price is £76, or a little more for extended credit. Previously the price was £81 cash, or £86 on credit.

Mr. KENNEDY.—I know of machines having been sold for much less than £76.

Mr. GLYNN.—I am not speaking merely from hearsay, but I am stating facts that are actually in print, or are within my personal knowledge as a lawyer. I am not going to rely upon evidence of the class that has been accepted by the Minister of Trade and Customs, such as *ex parte* declarations as to what will probably result from the competition of the International Harvester Company. At question 15900, Mr. Moore stated that the local manufacturers had not suffered from the Federal Tariff, but that they had expected greater expansion of trade. He was asked what was his complaint, seeing that the firms were not suffering, that the number of hands had increased, that the output had increased, and that the profits were slightly better than before. He stated that they had not secured the extension of trade they had anticipated, and that hence they wanted a duty that would prohibit importations. The word "prohibit" was used by Mr. Moore. It seems to me that we have to look at the interests of the consumers as well as at those of the manufacturers. I am only too anxious to see the continuous development of Australian industries, and to insure that our manufacturers are treated fairly. We have to remember, however, that strong protests against the suggested duties have been presented by the representatives of the Farmers' Association. I find, for instance, that Mr. George Henry Osborne, commission agent, from St. Arnaud, and secretary of the local Agricultural Society, expressed the views of 250 delegates, who attended a meeting in Melbourne in connexion with the Tariff Commission inquiry, and passed resolutions in opposition to the proposed increase of duties. There are, I believe, in Australia from 276,000 to 277,000 farmers. The output of the agricultural, pastoral, and mining industries is valued at £76,000,000 per annum. The output of our manufacturing industries is valued at £28,000,000 per annum; that is something to be proud of, and we hope that the figures will grow. But we must consider the industries that would be seriously affected by the stoppage of the importation of machinery, and whose preservation is so largely associated with the welfare of the Commonwealth. The total number of persons employed in industries which come into competition with imports is

86,000, but against that I put the fact that there are 276,000 farmers, whose interests, in cases, might be prejudicially affected by the adoption of a policy so extreme as that advocated by some of the agricultural implement manufacturers, or as that embodied in this Bill.

Mr. BAMFORD.—The figures of the honorable and learned member include the whole of the farming population?

Mr. GLYNN.—No doubt.

Mr. FOWLER.—Wheat-growing is the principal industry in those parts of Victoria which were dealt with by the witness.

Mr. GLYNN.—The importation of harvesters may have been the chief cause of the introduction of this Bill, but the scope of the measure is very much wider than that, affecting as it does every line of industry that may come within the provisions of the clause. As to the Bill itself, it may be effective in stopping imports, but it will not be effective in preventing the formation of local trusts. According to the admission of the Attorney-General, apart from the operations of Inter-State or external trade, it cannot touch persons, though it may—indeed, he affirms that it will—touch corporations. I doubt it. We have power under the Constitution to deal with corporations, but whether that power is so extensive as he says—whether it includes the passing of any law relating to production or to the conditions of distribution by corporations—is a matter of some doubt. Certainly the measure cannot touch a firm, and there is nothing to prevent local companies from being wound up and formed into large firms. In that case the provisions of this Bill could not touch them. In America the Sherman Act is directed not against importers, but against local trusts, which is significant. When it was introduced in 1890 it was directly aimed at interested carriers. There is a special Act in operation there which is known as the Wilson Act, and which deals with importers. Its provisions are much milder than are those of this Bill. The trouble in America has not arisen in connexion with imports, but in connexion with Inter-State commerce. The provisions of the Acts in force in America are not so drastic as are those contained in this Bill. To me it does seem to be a curious policy to hand over for determination by casual juries and boards to be appointed from time to time by the Minister, questions of political economy. These

bodies will have to decide when any interference has taken place with local employment, or when, in point of fact, certain imports are likely to interfere with the remuneration of local labour. In such cases they will have to determine whether the importation of these competing commodities shall be stopped. It seems to me that the evidence upon which they will act—assuming that they have the capacity to apprehend and apply it—will be far more extensive than will be the evidence likely to be brought before them. I can easily imagine a case coming before one of the Courts in which a view of political economy was presented by the Attorney-General, and another view by the leader of the Opposition. Fancy a jury, after a series of challenges—because I recognise that before a jury was struck, there would be a good many challenges dictated by political leanings—being called upon to decide abstruse questions of political economy—questions which are surrounded with so many elements of uncertainty that some universities decline to adopt a chair of political economy at all. Such a jury might be composed of the ablest men in creation, but at the same time their knowledge of the factors that govern commerce, and the conditions of the particular trade under consideration would not be sufficient to guide them to a proper conclusion. This Bill does not recognise what occurs in all industrial developments, namely, that from time to time there is a shifting of labour from one particular branch of trade to another. When the stage coach was introduced it dislocated the whole of the carrying trade. It was one of the phenomena accompanying industrial development. In 1840 the export of local produce from Great Britain was valued, I think, at £50,000,000; in 1884 it had increased to £240,000,000. Right throughout that advance, there were fluctuations in certain trades, and there were variations in the relations between supply and demand throughout all associated trades. For instance, in 1840 the value of cotton represented 33 per cent. of the total export of local produce, but in 1884 its value had shrunk to 25 per cent. The labour displaced in that industry after a short time found its way into other avenues of trade. If there was a comparative and temporary shrinkage in cotton there was an increase in the output of iron, or as Giffen put it—something else increased—the stream of industrial advance was continuous.

Mr. Glynn.

Under this Bill, however, the importation of certain goods under conditions which must exist, and which are continually recurring wherever prosperity exists, will be stopped. Consequently the measure seems to me to be an exceedingly dangerous one. Whilst I am anxious to deal fairly with the facts presented in evidence to the Tariff Commission, and to encourage the development of our local industries, I think that this Bill is altogether of too extreme a character. It is a dangerous instrument to put into the hands of any Minister, and I regret that I am unable to see any justification for its introduction at this stage.

Mr. FULLER (Illawarra) [11.12]. — I have listened with very great interest to the speech of the honorable and learned member for Angas. I agree with him that this Bill is a dangerous one, especially in view of the extreme powers which it will confer upon the Minister of Trade and Customs. I think that all honorable members desire to insure the preservation and development of our Australian industries. But under this measure, it appears to me that no consideration has been extended to those industries which have made Australia what it is to-day. In short, the measure is merely designed to conserve the interests of the manufacturers in the big centres of population. It must have been very galling to the Government to listen to the criticism of the measure in which the leader of the Labour Party indulged the other evening, especially in view of the fact that it has been placed in the very forefront of the Ministerial programme for the purpose of placating that party. The honorable member for Bland declared that in his opinion the Bill would absolutely fail to achieve the object for which it has been introduced. His criticism of it was, in my judgment, the most destructive that has been levelled against it. I should like to draw the attention of the Minister of Trade and Customs to the definition of a commercial trust. That definition reads—

“Commercial trust” includes a combination, whether wholly or partly within or beyond Australia, of separate and independent persons (corporate or unincorporate), whose voting power or determinations are controlled or controllable by—

- (a) The creation of a trust, as understood in equity, or of a corporation wherein the trustees or corporations hold the interests, shares, or stock of the constituent persons; or

- (b) an agreement; or
- (c) the creation of a board of management, or its equivalent; or
- (d) some similar means;

and includes any division, part, constituent, person, or agent of a commercial trust.

The Minister is well aware that some years ago a vend in connexion with the coal-mining industry was established in the Newcastle district. Its object was to do away with the cut-throat competition which had taken place between the various mines, and to fix the price of coal at a figure that would be remunerative to the colliery proprietors, and at the same time enable them to pay a fair wage to the miners engaged in the industry. The wage fixed was to be regulated by the selling price of coal from time to time. Although that vend is not in existence to-day, I am informed that steps are now being taken to form a similar organization there. I should like to know whether, in the opinion of the Crown law authorities, such a vend would come within the definition of a "commercial trust." Then, again, from time to time the representatives of the dairy-ing industry in New South Wales, who are the sellers in the city of Sydney, meet and fix the price of their commodities. I desire to ascertain whether these gentlemen would come within the scope of the definition. If these matters have not already presented themselves to the mind of the Minister, I hope that he will give them his earnest consideration. I venture to say that it will be almost impossible for any jury to decide whether competition "probably or does, in fact, result in a lower remuneration for labour," as is provided for in paragraph b of clause 6. In this connexion the evidence which will be brought forward is bound to be of an unsatisfactory character. One great difficulty I see in connexion with the operation of this Bill is that no matter how anxious a jury may be to decide honestly and fairly on the evidence submitted to them, that evidence will be given by persons specially interested in having one side of the case presented. Dealing with Part III. of the Bill, I should like to say that the sole reason for the introduction of the measure would appear to be a fear, real or assumed, that the harvester industry of Australia is likely to be exterminated by the International Harvester Trust. The Tariff Commission devoted many weeks to the consideration of the circumstances connected with industries covered by the Tariff division "Metals and Machinery," includ-

ing the manufacture of harvesters. I do not propose for a moment to refer to anything that happened in connexion with their proceedings, but in view of the fact that this question has been exhaustively investigated by the Tariff Commission, I urge upon the Minister of Trade and Customs that, before any decision is arrived at in connexion with this important Bill, it would be only fair that an opportunity should be given to honorable members to learn the exact position of the harvester industry. The Minister has, in my opinion, given no justification for the haste shown in proceeding with this measure. In dealing with the third part of the Bill, the honorable gentleman referred to the harvester question, and quoted a portion of the evidence given before the Tariff Commission. He referred to the commissions paid on the sale of imported machines, and then made a long reference to American trusts, and especially to steel trusts in America. But he gave no proof that any dumping was taking place, or that the Australian harvester industry is in any danger of being annihilated. The only matter to which the honorable gentleman referred in support of his position was a declaration by a Mr. Coxon. He did not explain who Mr. Coxon is, and the House knows nothing about that gentleman or the circumstances in which his declaration was made. We do not know what influences were at work to secure that declaration, but we know that it was presented to the Tariff Commission by Mr. H. V. McKay, who is an interested party. Yet the Minister, on that single declaration presented in the circumstances I have mentioned, expected honorable members to believe Mr. Coxon's statement. I merely relate the circumstances in which the declaration was received, and I ask whether honorable members are justified in accepting it as evidence of the existence of a menace to the harvester industry of Australia? In justice to honorable members, this measure should be delayed until the report of the Tariff Commission is presented. As a member of the Tariff Commission, I am unable to say when the report will be laid on the table, but the Chairman of the Commission is available, and if communicated with will be able to give some indication of the time at which the Commission will be able to present it. It is a matter of common knowledge now that in connexion with their inquiry, the Tariff Commission

have entered upon the last lap. The Minister of Trade and Customs has given no proof that the industries of Australia are in any danger, and certainly none that the harvester industry is in danger from operations aimed at in Part III. of the Bill. This measure will practically put it into the hands of the Minister to prohibit all importations, and justifies the expression used by the honorable member for Perth that it is "protection gone stark, staring mad." In view of all the circumstances, its further consideration should certainly be postponed until the report of the Tariff Commission has been laid on the Table.

Mr. POYNTON (Grey) [11.23].—The introduction of this measure and the grip it seems already to have on honorable members, is the strongest possible evidence of what may be achieved by persistency. In my opinion, Mr. McKay, the manufacturer of the Sunshine Harvester, is entitled to congratulate himself upon what he has accomplished, because there is no doubt that the introduction of this measure is the outcome of his agitation. He has been sufficiently shrewd to decline to produce his books to show in what way his industry has been affected, but it is well known that it has increased by leaps and bounds, and I am safe in saying that to-day he controls at least one-half of the total output of harvesters manufactured in Australia. It is admitted that those engaged in the manufacture of harvesters have done well. Any statement to the contrary might easily be contradicted by a simple reference to the enormous growth of the industry. Mr. McKay makes no secret of the fact that what he desires is prohibition of imports, and the nearest road to that is disclosed in this measure. I wish at once to enter my protest against this most objectionable method of dealing with the Tariff. If a majority of the members of this House are in favour of Tariff reform, I shall be prepared to bow to their wishes if given expression to in a constitutional way by an amendment of the Tariff. That is not what is proposed. We have here a proposal to place in the hands of the Minister of Trade and Customs for the time being the power to hold up any imports, under the plea that they are the products of industries carried on under conditions of lower wages and longer hours of labour than prevail in similar industries in Australia. The Attorney-General made no secret of the fact that the hours of labour and the

wages paid in an industry are to form the test by which the admission or prohibition of goods is to be decided, and notwithstanding all the clap-trap we have heard from Ministers about preferential trade with England, there is not a single line of British manufactures the introduction of which might not be objected to if that is to be the test applied.

Mr. KENNEDY.—What does the New Zealand Act provide?

Mr. FOWLER.—In the New Zealand Act there is an explicit provision under which British manufactures are exempt from prohibition.

Mr. POYNTON.—This measure does not provide for that. I should like to know if the Minister will agree to exempt British goods from the operation of the Bill? That would be a proposal in the direction of preferential trade which we could understand. We are asked in the Bill to do something to check the threatened raids of a monster from outside, but there is in the measure machinery for the creation of a greater monster within our own borders. We know that there are many very powerful trusts and combines in America, and the experience of that country is that they have never yet been able to put them down. I ask honorable members to consider the operations of the great beef trust. They have so manipulated the trade that only one price is offered for cattle in the whole of the American markets. By systematic methods they succeeded in three years in reducing the price of cattle by \$8 per head, whilst in the same period, through the operation of their packing houses, they increased the retail prices by 5 cents per lb. They have succeeded in absolutely ruining forty private banks that had advanced money to graziers for corn to top up their cattle. Their operations have been followed by desolation, and in some instances by suicide. Quite recently a Committee was appointed, whose chairman was a Mr. Garfield, who, I presume, is a descendant of President Garfield; but its inquiries failed to produce any good result; and, singularly enough, it has been left to the writer of a novel to do more for preferential trade than has been done by the speeches and actions of all the statesmen in the Empire. Not only has the publication of *The Jungle* called the attention of the public to the objectionable methods of the Beef Trust, and incensed the people to such a degree against those who are responsible that

better conditions will probably obtain in the future; but it has done more to bring about preferential trade than has been done in any other way. The decision of the Imperial authorities to obtain in future from the British possessions all the supplies of meat required for the British Army, is a great thing for Australia and New Zealand, from which these supplies will be chiefly drawn. I asked the Prime Minister, in all seriousness, a question relating to this Bill, which he treated with indifference. I wished to know if he would favour the making of it a penal offence to charge abroad for articles manufactured in Australia lower prices than are charged within the Commonwealth. We have both States and Commonwealth legislation insisting that only our prime produce shall be exported. We send the very best of what we produce to other countries, but, strangely enough, it is often sold there for prices lower than the people of the Commonwealth have to pay for similar or inferior produce. Prior to Federation a South Australian candle-maker was selling his candles at Broken Hill for 2d. a lb. less than he charged to the people of South Australia, who were paying for the protection of his industry, and, at the present time, the Colonial Sugar Refining Company is selling its sugar in New Zealand at prices lower than are charged in Australia. If it be right to prevent, in the interests of our manufacturers, the inundation of our markets with dumped productions, is it not equally right to try to protect our consumers from imposition on the part of the local manufacturers? Manufacturers are the same all the world over, and will always be human enough to take advantage of any legislation which will enable them to make higher profits. Consequently, if, under this measure, the importation of certain goods is prohibited, the effect will be, not to reduce, but to increase the prices of those goods in this market. It may be said that that will not happen, but experience shows that it will happen. The man whom I regard as the father of this Bill, Mr. McKay, was quite willing to combine with the companies of which he is now complaining, in order to keep up the price of harvesters in this market, and, although he now declares the Harvester Trust to be a menace to Australian industry, he was at one time quite prepared to sell his business interests to it.

Mr. JOSEPH COOK.—The honorable member would not prevent a man from

making a sale which would be to his interest?

Mr. POYNTON.—No; but I am pointing out the hypocrisy of his present declarations. If he believes that the International Harvester Trust is a menace to the manufacturers and producers of Australia, why was he ready to hand over to it, at a price, the control of his business? I notice that a certain gentleman is going round this State, at the instance of the manufacturers of Victoria, giving lectures, and organizing. I presume that he is paid by them.

Mr. MAUGER.—To whom does the honorable member allude?

Mr. POYNTON.—To Mr. Trenwith.

Mr. MAUGER.—He is not paid by any manufacturer.

Mr. POYNTON.—It is very strange that he should travel all over the country at his own expense to do this work.

Mr. MAUGER.—He is not being paid by the manufacturers for the work which he is doing. He has given his life to the cause.

Mr. POYNTON.—He is working for an organization which has certain funds, and is collecting for it. To whom does the money go?

Mr. MAUGER.—Not to the manufacturers.

Mr. POYNTON.—If Mr. Trenwith does not get it, some one else must get it, because the money must be spent.

Mr. MAUGER.—Are not the secretaries of trade unions paid? Cannot workmen, if they choose, pay a man for doing other work? What is the difference?

Mr. POYNTON.—There is a difference between the payments made by trade unions and those made by manufacturers.

Mr. MAUGER.—Tens of thousands of workmen are interested in this matter.

Mr. POYNTON.—Mr. McKay has stated that, if the Bill is passed, or a duty of £25 each imposed, he will give an undertaking to reduce the price of his harvesters by £5 this year, and £10 next year. That is the bribe held out to the farmers to support legislation of this kind. But what is the value of such a guarantee? Within two or three months after the passing of the measure, he could sell out the whole of his interests. We shall make a mistake if we pass the Bill before we get the report of the Tariff Commission on the whole question of Tariff reform. It was alleged, at the time of the appointment of

that Commission, that the state of the iron industry and of the agricultural implement industry, necessitated some change in the Tariff; but it seems a farce to deal with this matter before we can obtain the reports of the Commission, whose investigations have already cost the country £10,000. When the Commission's reports come to hand, I am sure that honorable members, if the evidence shows the necessity for such action, will be ready to do whatever is necessary to prevent Australian industries from being destroyed by the tactics of manufacturers abroad in dumping their goods here. I, as a free-trader, would be ready to protect local manufacturers against dumping, but I object to legislating on this matter in the dark, especially when we shall soon have the report of the Commission which was appointed to inquire into it.

Mr. FOWLER.—We are asked to legislate on the assumption that there is dumping, but we do not know that dumping exists.

Mr. MAUGER.—If there is no dumping, the provisions of Part III. cannot be brought into operation.

Mr. POYNTON. — Just imagine a board composed of men of the type of the honorable member for Melbourne Ports. Before such a Board it would be the easiest thing in the world to prove that goods were produced under such conditions as to justify their importation being prohibited. Different decisions would probably be arrived at by boards appointed in New South Wales and Victoria respectively. I venture to say that the members of such boards would be distinctly biased—unconsciously, it may be—and would probably arrive at directly opposite conclusions with regard to the same class of articles. However, I understand that it is intended to substitute a Judge for the proposed board—an arrangement that will be less open to objection than the one proposed under the Bill. I fear, however, that delays will take place, and that trade will be hampered when certain goods are being refused admission to our markets pending an inquiry. One of the most objectionable features of the Tariff administration has been the delay in arriving at a decision with regard to imports in relation to which some question has arisen as to the amount of duty payable. The importers have not objected to the payment of the highest amount of duty for which they could be held liable, but their trade has been seriously hampered,

and they have been greatly harassed by the delay in obtaining delivery of their goods. I am afraid that similar difficulties will occur in connexion with the administration of this Bill. I shall vote for the second reading, but when we reach the Committee stage, I shall hold myself free to vote as my judgment dictates. I would suggest that the final consideration of the measure should be delayed until we can obtain a report from the Tariff Commission with regard to the imports that are likely to be most seriously affected by the present proposals. It is due to honorable members that they should have placed before them information of a far more specific character than that now available. If the Commission can show that imports are unfairly interfering with our industries, I, as an Australian, and as one who is anxious to support local industries, will do everything I can to afford the local manufacturers protection. At the same time, I do not wish to encourage any industry, however good it may be in its own way, at enormous cost to the consumers.

Mr. HARPER (Mernda) [11.52]. — I desire to place before the Government and the House my view as to the character and scope of this measure. I disclaim any intention of making what I may term a political speech. Inasmuch as the House has apparently decided to accept the principle of the measure by passing its second reading, I feel greater freedom in expressing my personal opinions, which differ from those entertained by many honorable members on both sides. I have given some consideration to this question, and as I have had a long business experience, which enables me to form some definite opinions as to how the measure is likely to affect trade and commerce, I feel that it is my duty to lay my views before the House. I do not represent any organized body, nor have I received any communication from the Chamber of Commerce, the Manufacturers' Association, or the Employers' Union. I shall deal with this question entirely in the light of my own knowledge. I speak as a protectionist and a supporter of the Government, and, although my views may differ from those of Ministers, I do not attribute to them any intention to injure the best interests of the country. I take it that their object is a legitimate one, and that they consider that such legislation is necessary. I think it is rather unfortunate that this measure should have been

introduced at the present juncture. The Bill will be far-reaching in its character, and will afford the traducers of this country, who are misrepresenting it at every turn, further opportunities for making misleading statements as to the scope and character of our Federal legislation. It is to be regretted that, at a time when we are doing all we can to remove the stigma that is now resting upon us, as the result of a hurricane of misrepresentation, a measure of this kind should have been brought forward. At the same time, I admit that if the Government felt that they were being urged on by a great public necessity it was their clear duty to introduce the Bill. At this stage I would ask whence the necessity arises for the proposed legislation. The objects of the Government are, first, to prevent what may be termed predatory competition directed against industries which are established, or may be established in this country, and, in the second place, to prevent imposition upon the public by the operations of associated capital. I assume that it is not desired to interfere in any way with ordinary trade operations, or with those legitimate combinations which are more or less necessary in all branches of business. I would ask honorable members to consider the circumstances of this country, and the representations which have been made with regard to the operations of combinations and trusts. One of the reasons advanced for the introduction of the Bill is the alarm that is felt that we shall be raided by certain formidable foreign trusts, and that our industries will suffer. One particular industry has been adverted to by the Minister of Trade and Customs, but I do not intend to enter upon any criticism of the harvester trust or the Sunshine Harvester Company. I shall merely refer to them by way of illustration. The primary reason for the introduction of the measure is the apprehension that certain foreign trusts of great financial power and ability may enter this country, and, by predatory attacks upon local competitors, destroy or coerce them so as to establish practical monopolies. Incidentally the question has arisen of the possible creation in Australia of similar trusts or combinations of capital. During the recess—knowing that this matter was to engage our attention—I devoted myself to a somewhat extensive inquiry into the position of the so-called trusts which exist in the United States. The extent of the literature upon both sides of this question

is surprising, and I confess that to me it was somewhat confusing at first. But having obtained from various sources the latest publications dealing with the matter, and having read and considered them with a perfectly open mind, the conviction was borne in upon me—and last night the honorable member for Echuca also emphasised the circumstance which had come under his own observation during his recent visit to America—that the backbone of the trust system in that country is to be found in the control which certain trusts have obtained over the means of transportation. I think I may be permitted, without trespassing too much upon the patience of the House, to allude briefly to the growth of the great Standard Oil trust, which is typical of a certain number—although by no means of all—of the trusts in America. After I have given a *résumé* of its rise, its progress, and, in my opinion, the main cause of its success, I shall endeavour to apply the principle of the illustration to our present circumstances. The trust was originally formed by Mr. Rockefeller at a time when, owing to want of organization in the trade, and to the keen competition which existed between various producers, the oil industry, within a few years of the discovery of the use of petroleum for lighting purposes, had been reduced to such a position that nearly every one connected with it was being ruined. The story of its origin and development is told in Miss Tarbell's *History of the Standard Oil Company*, a most interesting book, which I would commend to the attention of honorable members. Mr. Rockefeller is one of the most capable men of business that the world has produced. Had his abilities been devoted to the military profession he would undoubtedly have been a great general. He saw that the only possible way in which to put the oil industry upon a proper basis was by uniting a number of the competing establishments, comprising some of those which were in the lead both from the point of view of the quality of the article they produced and from the extent of their operations. Having united a number of these, under the name of the Standard Oil Company, he set to work to deal with the difficulties of the position upon lines which were consistently pursued until recent legislation interfered with them. By this union of interests the Standard company became by far the largest "shipper" by the railways, as they term it in America, and Mr. Rockefeller

determined that he would exact from the railways certain rebates or preferential terms. From his stand-point the position he took up was a reasonable one. At first there were two competing railways, and afterwards four, all of which naturally desired to get hold of the great trade in the carriage of petroleum oil. As a result, they immediately began to compete with each other to obtain the large and continuous shipments produced by this powerful company. The natural result was that, in the course of time, Mr. Rockefeller was able to make absolutely his own terms with the railways. He was in a position to offer them an enormous quantity of oil—some 60,000 barrels per day—which enabled the railway companies to make up daily freight trains to run right through to New York, and to bring their trucks back within ten days, instead of thirty days. This enabled the railways to make a large saving in the cost of carriage of the Standard company's consignments, as compared with those of small shippers, and Mr. Rockefeller claimed the benefit in the form of a differential rate. At first, Mr. Rockefeller said to the railways: "To any shipper who ships as much oil as we do you are at liberty to accord the same rate as we pay, but no concession must be allowed to any smaller shipper." He well knew that no other single shipper could comply with this condition. Later on, Mr. Rockefeller not only succeeded in getting heavy rebates for his own company, but he exacted from the railway companies the payment to his company of the difference between what the Standard company paid and what was paid by other people on their consignments. Upon the huge quantities of oil that were shipped the profits from these rebates were enormous. Subsequently, on the establishment of pipe-lines, which to a considerable extent superseded the railways as a means of transportation, the Standard company, by most extraordinary and clever manipulation, secured exclusive control of them, and the oil business was theirs. It is through the control of the means of transportation that the Standard Oil Trust, able as are its managers—Vanderbilt, who was no mean judge, and who was president of one of the railway companies with whom they dealt, said that its managers were the smartest men he had ever come across, and were much too smart for him—occupies the position it does to-

Mr. Harper.

day. The same remark is applicable to the methods of the beef trust. That trust secured possession of all the meat trucks—in fact, it owned them—and by an arrangement which it made with the railways it was enabled to get its trucks upon the various lines, and to delay or run off all others. That is the secret of the strength of these organizations, and some others. In passing, I may say that the term "trust" is one that is very much misused. It is true that at first many of the American combines, such as the Standard Oil Company, were "trusts." The individual companies composing them, while retaining their separate identity, surrendered the control of their businesses to trustees, to whom the stock of the separate concerns was transferred in exchange for trustees' certificates. Eventually, the law courts having declared this mode of conducting the business of corporations to be illegal, it was abandoned. Now, however, with that misuse of language which seems to be one of the characteristics of the day, the word "trust" is often applied to any concern which has attained large dimensions. Owing to the success of the Standard Oil Company and others, the trust idea caught on in America, and all sorts of industrial combinations have been formed. The company promoter and the stock-jobber came into the field, just as they did in the boom time here, and just as they have done many a time in mining matters. The company promoter approaches the proprietors of some of the larger concerns engaged in the production of a commodity, and points out the advantage of combining their undertakings, and so secure the advantages of large production and the lessening of competition, in order to improve their profits. The company promoter, having secured their adhesion to his plan, arranges the formation of a new company to purchase the different businesses concerned at prices satisfactory to the owners, and generally much in excess of their intrinsic value. In exchange for their businesses they obtain bonds and share stock of the new company, the promoter taking care to be well provided for by a large premium, which is added to the already greatly inflated stock of the company. The cessation of competition for a time enables the combine to make large profits and pay high dividends. The shares and stock are consequently enhanced in value, and the holders are enabled to pass their stock on to the investing

public. By the time new competitors, generally better equipped than the combined company, are able to enter the competitive field, the original holders of the stock have cleared out, and collapse ensues, to the disappointment and disgust of the new shareholders. Thus a vast number of so-called trusts were formed, not with the intention of destroying any industry, but merely with a view to making money out of their formation. There are in America three kinds of combined organizations. There is, first, the trust which, by the control of the means of transportation, makes large profits; then there are the combines, which are stock-jobbing concerns, and have the seeds of their dissolution in them, from over-capitalization from their inception; and, finally, there are the amalgamations of firms or companies arranged as the result of business acumen, to secure increased output and the legitimate advantages and savings of large as against small production. The last class, I take it, ought not to be interfered with. The second class will pass away. An illustration of the danger which besets the over-capitalized combine is referred to in Professor Ripley's book, *Trusts, Pools, and Corporations*, page 462—

Early in 1893 the lead trust owned all the establishments in the country except two. In 1894 there were in existence independent plants producing as large a product as the whole trust. The trust had a capitalization of \$30,000,000, and the independent companies employed a capital of only \$2,000,000. Yet the \$2,000,000 concern was in a position to turn out as much lead as the \$30,000,000 concern.

This class of so-called trusts are purely stock-jobbing concerns, which come to grief because they are over-capitalized. People have been swindled, and the proper course would have been to deal with the promoters of those concerns. That I am correct in what I have said concerning them is proved by the fact that last year no less than forty-four of these amalgamations went into the hands of the receiver. After they get into the hands of the receiver, the promoters of these over-capitalized concerns may buy them back for very much less than the capital they represent. So far as predatory combinations of capital, like the Standard Oil Company, which are really the combinations to be feared, are concerned, they could not exist here, because we have State-owned railways, and they would be unable to control the means of transportation. Because certain things have

happened in America in totally different circumstances, it does seem to me to be a pity that we should be asked to legislate in a panic-stricken fashion, as if we were in danger of having the same things here. The Minister gave some instances in support of his fears, but although I am in touch with commerce, I confess that I have not heard of any of the dreadful things to which the honorable gentleman alluded. If in this country we maintain our present attitude with regard to the means of transportation, and our railways are conducted by the States on business lines, so that every one complying with business conditions shall be given the same opportunity, the successful existence of a huge combine for any length of time is a matter of impossibility. That I am right in my view that control of the means of transportation is the main cause of the success of these great combinations is shown in Miss Tarbell's *History of the Standard Oil Company*. As early as 1874 the Windom Committee dealt with this evil, and at page 168 of Vol. I. of Miss Tarbell's work I find that so serious did the Windom Committee consider the situation that they made the following radical recommendations:—

The only means of securing and maintaining reliable and effective competition between railways is through National or State ownership, or control, of one or more lines which, being unable to enter into combination, will serve as a regulation of other lines.

One or more double-track freight railways honestly and thoroughly constructed, owned or controlled by the Government, and operated at a low rate of speed, would doubtless be able to carry at a much less cost than can be done under the present system of operating fast and slow trains on the same road; and being incapable of entering into combinations would no doubt serve as a very valuable regulator of existing railroads within the range of their influence.

I could give many other illustrations showing the correctness of that position. After many attempts to meet the difficulty, the Sherman Act was passed in 1890. That is the Act upon which the Government have, to some extent, based the present measure. It is, I think, the Act upon which the only provisions of this Bill which are based upon experience are founded. Most of the clauses are new and experimental, and have been devised to meet our local conditions. Although the Sherman Act does not specifically mention railways, it was intended to deal mainly with railways. The leading idea in the minds of the framers of that measure was the desire to stop the system

of giving rebates to huge concerns, which, by combination and the unscrupulous application of capital, were destroying the industries of the country.

Mr. ISAACS.—The honorable member is not right about the intention of the Sherman Act. There were over 100 different proposals before Congress to deal with trusts in various ways.

Mr. HARPER.—I am right so far as my statement goes. There were many attempts made to deal with trusts, but I am speaking of the scope and intention of the Sherman Act, and all the authorities I have seen are agreed that what bulked in the minds of those who dealt with that Act was the question of transportation.

Mr. ISAACS.—It was one great question, but it was not the sole question.

Mr. HARPER.—It was the great and almost the sole matter dealt with by the Act. That Act has been brought into force, and it has had some effect. In his work *Trusts, Pools and Corporations*, Professor Ripley, at page 282 says—

The situation is much improved in respect to transportation discriminations within the last two years. This is the result first of a determined effort on the part of the Government to apply existing laws in an effective way against discrimination; and second, to the fact that some of the higher-minded railroad managers of the country had exerted their large influence in the direction of equitable dealing with the shippers of the territory which they serve. Whether it is a consequence of these influences or a mere coincidence, it is nevertheless stated on high authority to be a fact that the embarkation of new capital in enterprises in competition with the supposedly controlled industries within the period named probably equals the capital of the trusts. The effect of certainty of protection against predatory competition can be safely prophesied to increase this figure.

That is an illustration in support of my statement that if we take away the control of the means of transportation we must break the back of the strongest combine that can be formed. If, without some such advantage, any attempt is made to unduly raise prices, and it is continued for any length of time, new capital comes into the industry concerned. The combine may continue to be conducted with antiquated machinery and old methods of administration, whilst a new concern comes into the field with a new equipment, and the trust goes into the hands of the receiver. Unless these combinations have behind them some natural monopoly, something beyond mere capital, they must and will be

checked by the natural evolution of business. Men who have in all probability been brought up in these concerns, and who know their weak and strong points, get capital behind them, and with their experience start a new concern, and the combination is burst up. I think I am fairly entitled to say that the Government have not made out a case to prove that in the present circumstances of Australia this legislation is necessary. That is my conviction. I propose now to deal in some detail with the provisions of the Bill. It is due to the Attorney-General to say that I think the House is indebted to the honorable and learned gentleman for his masterly explanation of the scope and intention of the Bill, in terms which the meanest capacity may understand. But he and the Minister of Trade and Customs passed over the first part of the measure very lightly, although to my mind it contains a great deal that merits attention. It defines, amongst other things, what is termed a "commercial trust." As defined in this clause, a commercial trust includes a combination of separate and independent persons, corporate or unincorporate, whose voting powers or determinations are controlled or controllable by the creation of a trust, as understood in equity, or by a corporation the trustees of which hold the interests and shares of the component parts of the trust, or by a simple agreement. Let me deal with the words "a combination of separate and independent persons, controlled or controllable by an agreement."

Mr. ISAACS. — Whose voting power or determinations are controlled so that they are not free agents to determine as they like, having agreed beforehand.

Mr. HARPER.—I think that the word "determinations" is too wide.

Mr. ISAACS.—The wording refers to individuals who cannot determine at the moment as they would like to do, their determinations being governed for them by an agreement made beforehand.

Mr. HARPER.—Governed, not for them, but by them, which is a very different thing.

Mr. ISAACS.—They have formed their determinations beforehand.

Mr. HARPER.—I wish to have this point cleared up, because it is a very important one. A commercial trust includes a combination of separate or independent persons, whose determinations are controlled

or controllable by an agreement which they themselves have entered into.

Mr. ISAACS.—The force of the provision lies in the words “controlled or controllable.”

Mr. HARPER.—I am not a lawyer, but, although I have listened with respect and interest to the honorable and learned member, I confess that I am unable to understand the position. Men effect many agreements which are necessary in the conduct of business, and with which, I am sure, the Attorney-General and the Minister of Trade and Customs do not wish to interfere; but it seems to me that the provision to which I am referring will cover a multitude of such arrangements or agreements—they may be termed combinations in a sense—necessarily prevailing in every business in the interests of both producers and consumers. I am not referring to arrangements for the pooling of interests, nor to combinations preventing manufacturers or merchants competing with each other; but to what I may term business, or trade boards, or committees for settling the prices, terms of sale, and so on, of commodities. As an instance, I would mention the Flour Millers' Association. That association, as I understand it, is formed of competitive members; but, as the wheat market rises or falls from day to day, it fixes and publishes prices, the arrangement being perfectly defensible from every business aspect.

Mr. McWILLIAMS.—Unless prices are unduly raised.

Mr. HARPER.—That cannot take place, because, as there is no cohesion between the members of the association, and nothing to keep them in line, except, perhaps, some trifling penalty, if an attempt were made to take advantage of the public some of the members of the trade would break away and get all the business.

Mr. JOSEPH COOK.—It is the same thing with the coal vend.

Mr. HARPER.—Yes. In Adelaide, there is an association of retail grocers, whose articles of association I hold in my hand, the object of which is to promote the interests of the trade, and it fixes selling prices. These associations do not mean that the members of a trade are banded together to swindle the public. As a matter of fact, that is not their object, and, if it were, they would be unsuccessful. It must be remembered that predatory competition is not confined to trusts, and

is often most destructive in connexion with small concerns, started by persons who do not properly understand their business, and do not know the cost of the article with which they are dealing. In their desire to cut into the trade of those who are trading on fair lines, they lower prices, until they have brought about a state of confusion and almost business anarchy, for which there is no reform until an association is formed, and their mistake pointed out to them, when, perhaps as the result of moral suasion, all the competitors are brought into line, and the business is put on a sound basis again. The public, instead of suffering, benefits by these arrangements, because without them the smaller men would be destroyed, and the bigger men would remain, competition would be lessened, and the whole of the business would be in the hands of a few. I do not think the Minister of Trade and Customs, or the Attorney-General, wish to prevent these arrangements; but it seems to me that they might be prevented under the provisions of this Bill. I have known of tyranny, as bad as anything Rockefeller ever did, committed by small storekeepers against their neighbours, one cutting against another, to run an opponent out.

Mr. ISAACS.—In Australia?

Mr. HARPER. — Yes. These cases show that human nature is the same whether a man is rich or poor. We must deal with the facts of the position. It is absolutely necessary, in nearly every business, to have some such board as I have been speaking of, or to make some other arrangement to secure fair and reasonable competition, and to prevent what my friends of the Labour Party would call black-legging. If it is necessary to have trade unions to compel the workers to stand by each other, it is equally necessary that the smaller, and even the larger, traders, for that matter, should protect themselves from predatory competition similar to that which has been so justly denounced in this Chamber.

Mr. BAMFORD.—The honorable member would defend an arrangement for keeping up the price of groceries, but inferentially he condemns an arrangement for keeping up wages.

Mr. HARPER.—No. I have not said anything at all on the subject. In my opinion, the small shopkeepers and producers are often the greatest sweaters, and it has struck me, in reading of the great

American trusts, that it is never suggested that they do not pay their employés well, nor do I remember to have heard of protests from their employés. Those who are always cutting into the business of other people, and reducing prices so low that the payment of decent wages becomes impossible, are the chief sweaters. I think that it has been stated, in connexion with the operations of the tobacco trust, that distributors dealing with the trust are compelled by agreement to sell tobacco at not less than certain prices. I do not know whether that arrangement exists or not, because I know nothing of the operations of the trust; but it has been condemned as an attempt to injure the public. I know, however, that many large manufacturers, doing business all over Australia, insist upon scales of prices below which they will not allow retailers to sell. This is done, not at their initiative, but at the initiative of the retailers, who complain that certain men sell at prices leaving no profit, and that they could not compete with them without loss. Of course, it is to the advantage of the manufacturer to prevent underselling, because if the retailers are forced by unfair competition to sell any article at a price which gives them no profit, they try to find a substitute which they can sell to better advantage to themselves, and thus the sale of a particular manufacture is injured. It may be said that these arrangements are arrangements in restraint of trade, and to the injury of the public; but I submit that they are not.

Mr. DEAKIN.—Then they would not be affected.

Mr. HARPER.—I shall show how they would be affected. I am seeking to aid the Government. I believe that men who are engaged in commerce can best appreciate the probable effects of legislation of this kind. I know that it is not the intention of the Government to interfere in cases such as I have indicated, but I am explaining the position, as I understand it, so that they may know how far-reaching the measure will be.

Mr. DEAKIN.—The question as to the fixed price would surely be determined by whether it was fair. If it were fixed so that it demanded too much from the public it would be unfair, and it might also be open to question if it demanded too little from the public.

Mr. HARPER.—There are a number of other trade arrangements that would be

affected by this provision. For instance, we know that the brewing trade of Melbourne is in a bad way, nearly all the companies engaged in it being almost in a state of insolvency. Out of the wreck of one of the companies a co-operative concern was started, and this has led to a combination of all the large brewing concerns.

Mr. DEAKIN.—Was not the embarrassment of the brewing companies due to overcapitalization?

Mr. HARPER.—No. It was due to incautious speculation at the time of the boom. The breweries made large investments in hotels at inflated prices with borrowed money, upon which, of course, they had to pay heavy interest. When the boom collapsed, and property had decreased in value, the interest charges which the breweries had to meet swept away their profits. An attempt is now being made to bring them together, and under the Bill such a combination may, in my opinion, be held to be in restraint of trade.

Mr. DEAKIN.—The question is, would the combination be to the detriment of the public?

Mr. HARPER.—It might be so held; but I shall deal with that point later. I read with interest, and thorough approval, some remarks made by the Honorable P. C. Knox, the Attorney-General of the United States—the man who has been fighting the trusts in America—in a report to the Honorable George F. Hoar, Chairman of the Committee on the Judiciary of the United States Senate, in January, 1903, which I quote from *Ripley*, page, 280. I should like honorable members to mark what Mr. Knox says as to the way in which trusts should be dealt with in America, where they have a full-grown predatory animal to deal with, and not merely a small tiger whelp such as some honorable members have referred to as existing here. Mr. Knox said—

The end desired by the overwhelming majority of all sections of the country is that combinations of capital should be regulated, *not destroyed*, and that measures should be taken to correct the tendency toward monopolization of the industrial business of the country.

I assume a thing to be *avoided even by suggestion* is legislation regulating the business interests of the country beyond such as will accomplish this end?

He also says, at page 286 :—

Of course, the general scheme of legislation to correct trust abuses, should be developed with great care, for it is not nearly so important to act *quickly* as to act *wisely*.

Mr. ISAACS.—I think that we have acted according to his advice.

Mr. HARPER.—I certainly think that the Government have acted quickly, but I am doubtful whether they have acted wisely. I think most people will agree with me that there was no urgent necessity for the Government to act so quickly as they have done.

Sir WILLIAM LYNE.—I think that it was necessary to deal with the shipping combine.

Mr. HARPER.—I shall deal with that at the proper time. I now wish to refer to Part II. of the Bill, which provides, in clause 4—

1. Any person who wilfully, either as principal or as agent, makes or enters into any contract, or is a member of or engages in any combination to do any act or thing, in relation to trade or commerce with other countries or among the States—

- (a) in restraint of trade or commerce to the detriment of the public; or
- (b) with the design of destroying or injuring by means of unfair competition any Australian industry the preservation of which, in the opinion of the jury, is advantageous to the Commonwealth, having due regard to the interests of producers, workers, and consumers,

is guilty of an indictable offence.

Clause 5 deals with foreign and local corporations, in the same way that the previous clause deals with individuals. The Prime Minister stated that combinations such as I referred to, if they were not detrimental to the public, would not be interfered with by the Bill. But if the Bill becomes law it would be impossible to say beforehand that any combination was beyond its scope. In clause 6 provision is made that, in the event of unfair competition being charged, the onus of disproof shall be thrown upon the person charged.

Mr. ISAACS.—Unfair competition does not enter as an element into paragraph *a* of clause 4, which deals with restraint of trade to the detriment of the public.

Mr. HARPER.—Yes; I had overlooked that point. Do I understand that that is a matter for the jury?

Mr. ISAACS.—Yes; no onus is thrown upon the accused, except as to unfair competition. It rests with the prosecution to prove that an industry is being destroyed, and that the industry is one that should be preserved.

Mr. HARPER.—I understand that in regard to paragraph *a* of clause 4 the question as to whether any contract is in re-

straint of trade to the detriment of the public can only be settled by an application to the jury.

Mr. ISAACS.—By application to the jury in a criminal case, and by application to a Judge in the event of an injunction.

Mr. HARPER.—It will not make very much difference whether the application has to be made to a Judge or to the jury. It appears to me that, unless such business arrangements as I have indicated are expressly excluded from the operation of the Bill, some business competitor might urge that a certain combination was being entered into to fix prices to the detriment of the public, and that the parties to that combination might be haled before the Judge or the jury to show that they were justified in doing what every citizen of the British Empire has a right to do. It might be difficult to conceive that the operations of the combination could be detrimental to the public, and yet those concerned might be subjected to the most serious annoyance, inconvenience, and loss. One can scarcely over-state the far-reaching effects of a measure of this kind, and I trust that the point to which I have directed attention will receive the consideration of Ministers. With regard to paragraph *b*, it is proposed to make it an indictable offence to enter into any contract with the design of destroying or injuring by means of unfair competition any Australian industry which it is considered should be preserved. If the defendants be a "commercial trust," as defined only in this Bill, consisting, it may be, of only two individuals, they will have imposed upon them the almost impossible task of proving a negative. They will have to prove that what they are doing will not affect Australian industry.

Mr. ISAACS.—The honorable member is wrong. All that the defendants have to prove is that the competition is not unfair. The onus of proof in regard to all the other elements lies on the prosecution.

Mr. HARPER.—As I read clause 6, it appears to me that if two persons make an arrangement to do certain things, which, rightly or wrongly, are held to involve unfair competition and a design to destroy Australian industry, they will be haled before a Judge, and will have to prove that what they are doing is not detrimental to the public.

Mr. ISAACS.—That is not so. If it were proved that the competition were unfair, that would not be sufficient to convict the

defendant. The prosecution would have to go further, as I have indicated.

Mr. HARPER.—My point is that if the onus of proof that the competition is not unfair will lie upon the defendant, it will have imposed upon it what, in many cases, may prove to be an impossible task.

Sitting suspended from 1 to 2 p.m.

Mr. McCAY.—I think we should have a quorum. [*Quorum formed.*]

Mr. HARPER. — When the sitting was suspended, I was dealing with Part II. of the Bill. I was pointing out that under it individuals who were joined together for the purpose of carrying on legitimate operations which were not to the detriment of the public, might be placed in the unenviable position of having to justify their action by proving a negative, which, in many cases, would be impossible. For example, it would be competent for anybody, rightly or wrongly, to raise the question of whether they were not doing something which was inimical to the public interests, and having been constituted by Part I. of the Bill a commercial trust, the onus would be thrust upon them of proving that the allegations made against them had no foundation in fact. I am sure that the Government do not intend that. I apprehend that such a position needs only to be understood in order to be condemned. The principle which it involves is foreign to our whole system of law.

Mr. POYNTON.—It is embodied in the Customs Act.

Mr. HARPER.—It may be, and perhaps it is rightly contained in that Act. But I would point out that in the Customs Act the offence is clearly defined, and the person against whom any charge is made is in a position to refute it. I do not intend to labour this point any further. Under clause 7, the question arises of what constitutes a monopoly. It seems to me that the term "monopoly" is very frequently misused. Originally it implied a State monopoly—that is, some right which was given by the Government to certain persons to do certain things to the exclusion of all others. I quite admit that in modern times that strictly legal definition has been, to some extent, modified, and that a monopoly may now be created by means other than a State grant. I have already shown that in the United States a monopoly may be obtained as the result of

control of the railways, which are in private hands, for the exclusive advantage of certain persons. In that way monopolies have been acquired just as effectively as if the United States Government had enacted legislation conferring upon certain individuals the right to trade in petroleum oil to the exclusion of everybody else. But this Bill goes immensely beyond anything of the kind, and, therefore, I should have liked a clear definition of the term "monopoly." I have heard it stated that the Colonial Sugar Refining Company is a monopoly. *De facto* it is not a monopoly in the sense that it has behind it any advantage which is not enjoyed by everybody else.

Sir WILLIAM LYNE.—It puts up the price of colonial sugar almost to that of the imported article, and nobody can prevent it from doing so at the present time.

Mr. HARPER.—At an earlier stage I intimated that I did not intend to discuss the details of the harvester business, nor do I feel disposed to deal with the position of the Colonial Sugar Refining Company. I hold two shares in that company, so honorable members will recognise that in what I am about to say I am not seriously interested. I repeat that the Colonial Sugar Refining Company is not a monopoly.

Mr. McWILLIAMS.—It regulates the price of sugar, absolutely.

Mr. HARPER.—It fixes the prices for its goods, as every firm has a right to do, but other firms can, and do, undersell it if they choose to do so. For instance, there is a refinery in Port Melbourne, which is doing a large portion of the business in Victoria, and which frequently undersells the Colonial Sugar Refining Company. There are Queensland refineries which do the same. The company has taken no action to prevent it, being apparently content to act upon the sound principle of "live and let live." When the Minister tells me that the Colonial Sugar Refining Company puts up the price of the local article almost to that of imported sugar, their reply is that they are compelled to do so, because the protective portion of the existing Customs duty finds its way into the pockets of the cane-growers. As a matter of fact, I know that the relations existing between that company and the majority of the cane-growers are of the best. The company has grown from very small beginnings. About fifteen or twenty years ago it had a most unfortunate experience in pioneering the industry, the result of which

was that the shareholders in both Sydney and Melbourne were so hard hit that their shares fell far below par, and a reconstruction of the company had to be undertaken. That is a matter of history. The company is not in any sense of the word a monopoly. It seems to me that we are gradually losing our appreciation of the true significance of that term. We are too prone to regard as a monopoly any business which attains large dimensions. In this connexion, I desire to point out that large profits made by a company or firm do not necessarily imply that those concerns are robbing the public. Let us suppose that A and B each possess a capital of £20,000, and that the former has an annual turnover equal to the amount of its capital. After paying all expenses, its members naturally desire to secure a fair return upon their outlay—say, 6 per cent. Upon the other hand, B concern may have a turnover of its capital, not once, but twelve times in the year. There are businesses, I am informed—which small men frequently complain threaten to wipe them out of existence—whose turnover is twelve times in the year the amount of their capital stock. "A" company overturn their capital value once a year, and make a profit of 6 per cent., equal to £1,200. "B" company, with the same capital, turn over the value of their capital stock twelve times in the year, selling at the same prices as "A" company, and make a profit of twelve times as much, £14,400. Would any one say that, because the magnitude of their business enables the proprietary of "B" company to earn a profit equal to twelve times that earned by "A" company, though they sell their goods at the same prices, they can be said to be robbing the public? I do not think they can. Suppose the proprietary of "B" company say, "We do not desire to make more than £6,000 a year, or 33 per cent. on the amount of our capital, and we shall sell our goods at prices which will return that amount, and no more." "A" company may feel aggrieved, and complain that "B" company is trying to exterminate them. "B" company, owing to the magnitude of their business, and not by exacting extra profit from the public, contrive to earn a very much larger profit than "A" company, and by reducing prices give to the public a part of the profits they can legitimately earn. Should such a concern be brought into Court to show all the details of its business, to show that, in reducing its prices

and selling at a lower rate than its opponents, "A" company, it was not doing so to injure the business of the opposing company, or to the detriment of the trade of the country?

Mr. McWILLIAMS.—Would the same argument apply to importing companies?

Mr. HARPER.—Of course it would. This example shows where the advantage of what is called large production comes in. Are we going to legislate in this country against large production? If we do we shall be deliberately restraining trade to the detriment of the public, the very thing which this Bill is professedly introduced to prevent.

Mr. HUTCHISON.—No combination can be interfered with unless it is shown that its operations are to the detriment of the public.

Mr. HARPER.—The honorable member does not understand my argument. I am glad of this opportunity to say a word about commercial morality. Whenever they hear of any individual or firm making a large income, some honorable members in this House at once jump to the conclusion that it can only be done by robbing the public.

Mr. BAMFORD.—They are very often right, too.

Mr. HARPER.—My honorable friend, no doubt, thinks so; but I am giving sound reasons why any thoughtful man who is not so prejudiced as to refuse to consider facts when they are presented to him must come to the conclusion that there are other explanations. As one who has spent his life in commerce, I assure honorable members that, notwithstanding the improper proceedings of individuals which are occasionally brought to light, nine-tenths of the commercial community are as strongly opposed to such proceedings as is any member of this House, and as little disposed to practice such methods. They are, in fact, only too pleased when those who resort to despicable and predatory actions are found out and punished. There are various ways of accounting for a reasonable profit on capital invested, but in modern business the secret is that the business shall be done well, shall satisfy the public requirements, and to do this the object is to secure as large an overturn as possible. The man who has a big overturn is able to undersell a competitor having only a small overturn, and in doing so he shares the profits which he might secure as a trader

with the public. Such a man may be accused by those who, because they are not so competent to conduct a business, or for some other reason, cannot compete with him, of predatory acts which should not be so described, and which, on the contrary, may be shown to be clearly for the benefit of the public, and to assist in the development of the trade of the country. Because a business is large it is not necessarily a monopoly. If people try to establish a monopoly by buying up other concerns, and by excluding others from trade, their pre-eminence in the line of business which they follow can continue for but a short time unless, as I have previously said, they have some State concession or natural advantage, which others do not possess. In business life I have time and again known of attempts being made to monopolize some trade, business, or industry, and in nearly every case those who have depended upon the adoption of such tactics as I have described have come to grief. A business can only be conducted in a large way by following sound principles, selling at a reasonable rate, and supplying a good article, which meets with public approval. Having dealt with the first two parts of the Bill, I do not intend to say very much with regard to Part III., dealing with the prevention of dumping. To my mind, the clauses of this part of the Bill as they stand are little short of fantastic. Avoiding the surplusage of the Bill, under clause 15, when the Comptroller-General has reason to believe that any person, either singly, or in combination with any other person, has imported goods with the intention that they may be sold, offered for sale, or otherwise disposed of, in unfair competition with any Australian goods, he may certify the Minister. Then the Minister is to appoint a Board of three persons to settle whether the goods are being imported with the intention aforesaid. I must admit that I was profoundly amazed when I first read that clause. The whole proceedings must be based, first of all, upon a suspicion on the part of the Comptroller-General as to what some one is going to do. If he has a suspicion that A. B. is going to do a certain thing, he certifies the Minister, who refers the matter to a Board or a Judge. I can well understand the objection which any sane Judge would have to being asked to decide the question. Under this Bill the question to be decided is the intention which may be in some one's breast to do a certain

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thing before he has done it. It appears that there is to be a Board, or a Judge, or a jury, to decide whether some person intends to do a certain thing. In such a case a corporation is required to prove that it is not its intention to do what is alleged. It seems to me that to state such a clause in plain terms is sufficient to condemn it. In this part of the measure the Government are trying to do an impossible thing, and the attempt to do it may work grave injustice to individuals, and cause serious disturbance to business without attaining any adequate result. I have tried to put myself in the position of the Comptroller-General under this part of the Bill. I have said, "If I were Dr. Wollaston, and had to work under this part of the measure, how should I proceed? I suppose the first thing I should do would be to listen to every story brought to me by interested parties."

Mr. FOWLER.—The Comptroller-General would be doing nothing else all his time.

Mr. HARPER.—I quite agree with the honorable member, who is possessed of commercial knowledge and experience. The Comptroller-General will have to listen to this kind of story—"I heard that So-and-so, of Flinders-lane or Collins-street, intends to import 500 cases of goods, and is bringing these goods here in order to slaughter my industry." In the first place, is it not a most objectionable thing that the Government should encourage espionage of that sort, and rely upon statements of that kind to hale people before the Court to prove that it is not their intention to do what has been alleged against them. The members of the Commonwealth Parliament of Australia, if they respect themselves, will not, I am sure, make themselves so ridiculous in the eyes of the world as to pass such a provision into law. The Comptroller-General is to act upon information received. He calls up the party against whom some wrongful intention is alleged. Suppose I am the party. The Comptroller-General will say, "Mr. Harper, I am informed you are going to do so-and-so." I might reply, "Who told you that?" The Comptroller-General may or may not reply. If the statement is true. I say, "I am going to get certain things out," and then the Comptroller-General will probably say, "You are going to dump these goods to interfere with an industry." My reply would be, "I am going to import these goods, and get the best profit on them

that I can." Honorable members must understand that traders, as a rule, do not wish to smash anybody, but they do desire to make as good a profit as they can. My answer to Dr. Wollaston would probably be, "I have made a good bargain. I bought these goods very cheaply. I can see profit in them. I am not going to smash any one, but I will sell them at the best price I can get. If I can get the price current for them, I will get it, and if not, I shall sell as near to that price as possible." What will he do then? He may hale me before the jury or the Judge, and there will be cast upon me the duty of unfolding my business relations with people on the other side of the world to possible competitors in my business. The proposal is most unjust, and I do not need to say more on the subject. Here is a point to which I wish to direct the very special attention of the Government, and of honorable members. In Part II. of the Bill, clauses 4 and 5 are ingeniously framed so as to attempt to deal with individuals as well as corporations. Clause 4 says that any person who, either as principal or as agent, wilfully makes or enters into a contract in restraint of trade, or with the design of destroying or injuring an Australian industry, shall be guilty of an offence. In this part the act must be in relation to trade or commerce with other countries, or among the States. The position is different when it deals with companies formed within or without the Commonwealth. The Attorney-General, in response to an interjection by the honorable and learned member for Corinella as to the application of this clause, made the intention quite clear. By section 52 of the Constitution, sub-section 1., the Parliament of the Commonwealth controls trade and commerce with other countries, and among the States, and under sub-section xx. it has power with respect to foreign corporations and trading or financial corporations formed within the limits of the Commonwealth. But while the Commonwealth Parliament has, under the Constitution, the right to deal with incorporated companies, either external or internal, it has not the right to deal with private partnerships, or with individual traders. These are controllable only by the States. The clause endeavours to bring both incorporated companies and private partnerships and individuals in, but the attempt cannot, I think, be successful. A private partnership, or

individual, even if it carries on a predatory business in any one of the States, cannot be interfered with by the Commonwealth, but the Attorney-General seems to think that, if it sends its goods from one State to another, it can be interfered with. I am not a lawyer, and, as I am not competent to express an opinion on the legal interpretation of the Constitution, I shall assume—although I do not agree with him—that, under such circumstances, the Commonwealth could deal with private companies. It is admitted that, so long as it confines its operations to a State, it could not be dealt with by the Commonwealth law. Assuming, for the sake of argument, that the honorable and learned gentleman is correct, I shall show what could be done by a combination like the International Harvester Trust, should it intend to enter upon a predatory competition to establish a monopoly. I know nothing about the operations of that trust. I am not aware that it is a predatory company, and intends to destroy its competitors here.

Sir WILLIAM LYNE.—That is what it is trying to do.

Mr. HARPER.—I intend to show what it could do under the Bill, if that is its intention. If I were the managing director of that trust, with some millions of capital at my back, this is what I could do in defiance of the provisions of the Bill.

Mr. MAUGER.—Is it wise to make these suggestions to the trust?

Mr. HARPER.—The honorable member need not suppose that we can suggest anything to them which they do not know. I am dealing with the matter merely as a student of the Bill. If I and my colleagues came to the conclusion that it was to our interest, putting aside all considerations of ethics, to acquire the whole of the harvester business of Australia, we could evade the provisions of the Bill in this way: We could select one or two of our best men, send them to Victoria — or to one of the other States — and there establish a factory for the manufacture of harvesting machinery of all kinds, in their own name, as a private firm. Their instructions would be to employ the best men obtainable, and pay the highest wages, and, until they received other instructions from headquarters, sell the harvesting machines they produced at, say, £25 each. Of course, the trust would secure its interests in the capital invested by a mortgage over the whole

concern, or in some other way. If these instructions were carried out, it would be found that the farmers would buy the cheap machines which were being offered, and there would be no necessity to pay the big commissions which the Bill seeks to get rid of. Immediately there would be an outcry from all the other manufacturers in the State, and an appeal would be made to the Government for relief. The Attorney-General, if he were consulted, would have to say, "I am sorry, but the law cannot interfere with the operations of this firm in this State because it is a private concern, and not a corporation, but we shall under the Bill prevent it sending its machinery to the other States. I do not agree with the honorable and learned gentleman that that could be done, because, under the Constitution, trade among the States must be absolutely free, whether by internal carriage or by sea. But, even if the Attorney-General were right, the officers of the trust could get over the difficulty by arranging with agents in the other States to buy their machines deliverable at the factory door, and these machines would be taken by them, and sold in competition with the machines of the local makers.

Mr. HUTCHISON.—There are persons who could evade any law. That is why there are so many Socialists.

Mr. HARPER.—It is a depressing thing that there are in this Chamber honorable members who seem absolutely incapable of following an argument. I am not now dealing with Socialism; I am merely showing how the Bill, if passed, would be ineffectual to prevent a predatory company from doing what we wish to prevent it from doing. This Bill, which may hamper every industry to an unknown extent, and will have effects which those who are supporting it do not intend, will, I contend, while doing much mischief, have no effect in preventing huge concerns like the International Harvester Trust, if they so determine, from doing that which is the *raison d'être* of the Bill to prevent. It is foreign combinations only we have to fear, and the Bill will not prevent foreign trusts carrying out their predatory intentions if they mean to carry them out. The Attorney-General admitted the other night that private companies and individuals doing business within a State cannot be interfered with by the Commonwealth, and so long as this is the constitutional position, unless a law is passed preventing business from

being done except at prices fixed by the Government, the sort of thing which we wish to stop cannot be hindered. Any law that we pass will not affect one section of trade without affecting all others. I fear I have trespassed too much on the time of the House. In speaking as I have done, I am actuated by the best feelings towards the Government. Having studied this question, and having personal knowledge which enables me to form definite opinions with regard to the proposals embodied in the Bill, I have considered it my duty to express my views, in the hope that the Government, if they do not put the Bill aside, will at least place it low in the list of business, so that honorable members, and the public outside, will be afforded an opportunity to realize and to consider the possible consequences of such legislation. It is necessary that we should fully recognise what too many people forget, namely, that there are many objects which cannot be achieved by Act of Parliament. After all, the great trading operations which this Bill will interfere with, and which the Socialists think can only be properly controlled by the system they advocate, are all based upon natural economic laws, which no legislation can supersede. Socialistic legislation might hit certain individuals, injure certain interests, and upset society, but human nature would assert itself, and natural economic laws would inevitably prevail. Australians pride themselves on their freedom, and I ask whether we, who possess a Constitution intended to be the freest on earth, are prepared, whilst endeavouring to cure some particular evil, to impose upon ourselves shackles which may prove most disastrous to the best interests of the country whose prosperity we all desire to promote. It is inconceivable that the people of Australia would, if they could thoroughly understand the position, agree to anything of the kind. In conclusion, I should like to refer to what I regard as an unfortunate feature of our present political system. It is not often that I occupy the attention of the House, but I think I may, without impropriety, remark that it is unfortunate that a measure of this importance should evoke so little attention that speaker after speaker has to address a bare quorum of members. As one who has spent nearly thirty years in public life, I cannot help contrasting the present condition of affairs with that which obtained during the

early struggles and fights in which I and others engaged in this Chamber as members of the State Legislature. At that time, members were in their places and listened with interest to the arguments addressed to them. They showed, at any rate, that they had some desire to obtain from others the knowledge which they might not themselves possess. Another point is that, owing possibly to business exigencies, debates of this character, which so vitally affect the whole of the people, are not reported in the press so fully as formerly. In times gone by, parliamentary debates were well worth taking part in, and members were fully rewarded for the trouble they took to make themselves acquainted with a subject, so as to speak with some reasonable degree of authority. They not only had an appreciative audience in the Chamber, but were able, through the press reports, to communicate their views to an interested public. I hope that we shall soon have a change. Otherwise there will be a danger of the utter atrophy of Parliament. Another branch of the same subject might also be referred to in connexion with this Bill, and without special reference to the present Ministry. Every Government that has been in office since the Federation was established has apparently acted on its own initiative, without consulting the members of the party supporting it or availing itself of the knowledge that was at command among the rank and file of its supporters.

Mr. FOWLER.—That does not apply to the Labour Party; the caucus prevents that.

Mr. HARPER.—I am not referring to the Labour Party, but to the Government. I do not belong to the caucus, and do not intend to. I am mentioning a fact which is noteworthy, because of its important influence upon what we do in this Parliament. I do not say that Ministers ought to button-hole every member of their party and ask them what should be done in regard to matters of policy or Bills that it is intended to submit to the House; but I think it is their duty to keep in touch with their supporters, so that they may be able to gather information and knowledge from those who may know more than they do upon certain subjects. No matter what the Ministry may be, its members cannot possess all the talents or all the knowledge. There have been five Ministries in this Parliament, and I have supported four of

them. During all these years these Ministries have never once convened their supporters, or consulted them on matters of policy.

Mr. FOWLER.—The caucus is the cure for that kind of thing.

Mr. HARPER.—The caucus is a machine devised for the purpose, not of reflecting the opinions of members who are the elect of the people, but for organizing and carrying into effect the behests of numerous irresponsible outside bodies.

Mr. FOWLER.—Nonsense!

Mr. HARPER.—This is a serious question. The Barton Government never convened a meeting of their supporters, but there may have been special reasons for that. The Deakin Government did not once consult the members of their party. The Watson Government, no doubt, convened meetings of the caucus, but I do not think they ever invited honorable members such as the honorable member for Melbourne Ports to join them. Then the Reid Government followed. That was a coalition Government, formed for the avowed purpose of sinking differences and starting upon new lines. They never called their supporters together, even during the crisis which led to the present Prime Minister being accused of treachery and traitorous conduct. I have privately remarked more than once, to honorable members that, in my opinion, if the right honorable member for East Sydney had called a meeting of the party on the Monday after the Ballarat speech was delivered, the present Prime Minister would have been present, and would have made the statement that he afterwards made to this House, and there would have been no break-up and no accusation of treachery. Since the present Government has been in office the position has been the same. What is the moral of all this? The present Bill, with the policy which it involves, has never been submitted to the country. I gave my adhesion to the present Government as a protectionist Administration, whose general policy I approved. I am still in that position. I do not agree with everything they do, but I support them generally, and I have the greatest admiration for the ideals of the Prime Minister. I contend, however, that the Government have done themselves injustice, and their supporters as well, by failing to consult their party before introducing such a measure as that now before us. If I had had a draft of this Bill before me prior to its introduction, I could have communicated

to Ministers privately what I have just been saying publicly. Not having had that opportunity, I have done my duty now in giving my opinion. I do not intend to divide the House against the Bill, but I think it is a mistake. I believe that the Bill will fail to achieve its purpose, and that it will embarrass the business of the country, and retard its progress. Therefore, I would appeal to the Government to either withdraw the measure—

Sir WILLIAM LYNE.—We shall not do that.

Mr. HARPER.—I know that there is a difficulty, because when once Ministers put their names to a Bill it is vain to appeal to them to withdraw it. If, however, they recognise that there is any force in my arguments, especially in my representations that the measure will not accomplish its purpose, I hope that the Government will at least allow honorable members time to master its provisions. I trust, moreover, that before we are asked to agree to the drastic provisions of the Bill we shall have the report of the Tariff Commission before us, and be able to understand some of the reasons which, so far as they have been revealed to us, have led to the introduction of the measure.

Mr. McWILLIAMS (Franklin) [2.58].—It must be a matter for general regret that the honorable member for Mernda does not more frequently give us the advantage of his extended commercial experience and great ability. Those who have listened to his speech must have been struck with the fact that the honorable member who has had more commercial experience than any man in this House has condemned the measure lock, stock, and barrel.

Sir WILLIAM LYNE.—All commercial people condemn everything that they think will interfere with them.

Mr. McWILLIAMS.—I have a very much higher opinion of the motives which have prompted the honorable member for Mernda than is indicated by the observation of the Minister. I believe that he has spoken, as the result of his practical experience of business matters, and that his remarks will be received in this House, and in the country with the fullest respect. I think that we should first of all consider what necessity has arisen for the introduction of this measure, and, secondly, what result will probably accrue from it. The Minister has failed to show any necessity whatever for the introduction of this Bill.

To my mind, legislation of the character that is now proposed has been the greatest means in America of creating those very trusts which it is the alleged intention of the measure to combat. When the honorable member for Bland was speaking the other evening he made a quotation from a very excellent article which appeared in the *Cosmopolitan Magazine* upon the treachery of the United States Senate. I suggested at the time that he should also quote the succeeding article, which appeared in the last number of that journal to hand. Had he done so honorable members would realize that the swindling which has occurred in America, has been due to three factors. In the first place, these combines and trusts have secured a monopoly of the means of transport; secondly, they have obtained a prohibition through the Customs House; and finally, they have commanded the venal support of such members of the Legislature of the United States as could be purchased to further their objects. I was particularly struck with the speech which was delivered by the honorable member for Moira in the course of this debate, and I was exceedingly surprised to hear him, representing, as he does, an agricultural constituency, indulging in the clap-trap arguments that are so frequently heard in the Trades Hall by persons who know nothing whatever about the work of the farmer, but who, nevertheless, imagine that they are able to teach him how to conduct his own business. Whilst the honorable member was speaking, I challenged him to name one line of agricultural machinery which is being sold in any part of Australia to-day at less than a fair price. If the Minister can show that this Bill has been introduced to afford protection to the farmer, I ask him to point to one article in the way of agricultural machinery which is being sold in the Commonwealth at a price below its current value. I can quite understand that the measure has been brought forward to confer a further measure of protection upon the manufacturer. Had it been introduced simply as a Tariff Bill honorable members would have been in a fair position to fight out the issue. But my contention is that its object is to impose still further disabilities upon the primary producer to the advantage of the city manufacturer.

Mr. FRAZER.—Would the honorable member favour the fixing of a maximum selling price in the event of foreign goods being excluded?

Mr McWILLIAMS.—I am not prepared to accept the alternative. I am not prepared to exclude the tools of trade of the agriculturist any more than I am willing to exclude the tools of trade of any other producer.

Mr. FRAZER.—Suppose they were excluded under this Bill, would the honorable member favour the fixing of a maximum selling price to the consumer?

Mr McWILLIAMS.—If we prohibit the introduction of such articles as agricultural machinery it will be our bounden duty to protect the consumer as well.

Mr. FRAZER.—If that were done the honorable member would find a reversal in the attitude of the local producer towards this measure.

Mr. McWILLIAMS.—The origin of this Bill is to be found in the McKay harvester. If Mr. McKay had not quarrelled with others engaged in the manufacture of these machines this measure would never have been submitted for our consideration. It is unfair to ask us to deal with this question before the evidence taken by the Tariff Commission upon the subject is available. We have heard a great deal of lamentation to the effect that McKay's industry is being crushed. How is it that the McKay harvester can compete successfully with the American machine in the Argentine, where there is no duty operative, whilst it cannot compete with that implement here? Since I became a member of this Parliament, I have found that underlying every measure relating to industrialism that has been introduced, there has been a deliberate attempt to penalize the agriculturist to the advantage of the city manufacturer. What, I ask, would be the position of the farmer to-day if it were not for the labour-saving appliances that have been adopted within the past two decades? Not only our reapers and binders, but our drills, our disc harrows, and our cream separators—indeed, everything in the shape of labour-saving appliances that has been introduced, has assisted to place the producing industry of Australia in the position it occupies to-day. If we erect a barrier around our shores for the purpose of shutting out the product of the intelligence of the rest of the world, the producer must suffer to that extent. It cannot be too often impressed upon honorable members that the cream separator, the disc plough, and the harvester are as much the tools of trade of the agriculturist as is the

anvil of the blacksmith or the knife of the shoemaker. There are very few honorable members who are not prepared to extend a preference to our local manufacturers. But we are not now dealing with the local market. We must recognise that if it were not for our export trade in wool, wheat, butter, fruit, &c., more than half of our producers would to-morrow have to shut down. They have to compete in the markets of the world, and consequently they must have the best tools of trade that can be secured. Personally I do not object to the local manufacturer receiving fair consideration, but I do say that up to the present time the whole of our legislation has been in the direction of bolstering up our cities at the expense of the primary producer.

Mr. FRAZER. — Where has that been shown?

Mr. McWILLIAMS.—It was shown very clearly throughout the prolonged debate which took place upon the Tariff. I maintain that any Tariff which prevents the producer from acquiring the most up-to-date machinery is a direct blow to the particular industry in which he is engaged.

Mr. PAGE.—The protectionists are not satisfied with the present Tariff.

Mr. McWILLIAMS.—My experience of Victorian protectionists is that nothing will satisfy them. The ordinary protectionist from the other States becomes an absolute heretic the moment that he enters Victoria. The man who is prepared to support the imposition of a duty of 15 per cent., 20 per cent., or even of 25 per cent.—which, in any other part of Australia would be regarded as a stiff protective duty—is regarded as a free-trader in Victoria. Mr. Joshua, the president of the Chamber of Manufactures, in speaking of this class of protectionist, said—

The moderate protectionist is the moderate liar. If we were to apply that sentiment to men of the Joshua class, and substitute "extreme" for "moderate," we should just about fit the bill. I promised an honorable member who kindly gave way to me that I would not occupy the time of the House for more than a few minutes, and I propose to keep my word with him. I do sincerely hope that if the Bill gets into Committee there will be a very strenuous effort made to prevent the whole of the Tariff being placed in the hands of any Minister or any Board. Almost the whole of the political corruption in America has been brought about in that

way. There such matters are referred to a Committee. Here the proposal is that they shall be referred to a Board, which is but the same thing under another name. I sincerely trust, therefore, that, should the Bill reach the Committee stage, it will not be further proceeded with until the report of the Tariff Commission is in the hands of honorable members.

Sir WILLIAM LYNE.—Some honorable members would prefer that we should do no business at all.

Mr. McWILLIAMS.—There is plenty of other business which we can do. I remind the honorable gentleman that the Tariff Commission was appointed to investigate the very matters we are asked to deal with in this Bill. In spite of all that may have been said of that Commission, I know of no Royal Commission ever appointed in Australia that has gone more fully into the consideration of the questions submitted to it for report. The members of the Tariff Commission have laboured for weeks and months upon their arduous task, and now, when they have almost completed their labours, and are in a position to present their report within a few days, or a few weeks at the latest, it is distinctly unfair that we should be asked to deal with the very matters which they have spent months in considering before their recommendations, and the evidence they have obtained, are placed before us. I hope that if the Bill is allowed to go into Committee, it will only be on the distinct understanding that its further consideration will be postponed until the report of the Tariff Commission is laid before us.

Mr. WEBSTER (Gwydir) [3.20].—I have listened with much interest to the remarks which honorable members have addressed to the House on this very important subject. Whilst I can heartily congratulate the honorable member for Mernda upon the information which he has placed before us as the result of his investigations, I feel that he would have concluded a well-thought-out speech with very much more credit to himself if he had not attempted a criticism of certain parties in this House and had not condemned honorable members for absence from the chamber during the consideration of important public business.

Mr. HENRY WILLIS.—How does the honorable member excuse his own absences?

Mr. WEBSTER.—I was going to say that the honorable member for Mernda should be the last to find fault with other

honorable members on this score, because he is very rarely in his place in this chamber to listen to any discussion. With all due respect to the honorable member, it very ill becomes him to set himself up as a critic of the attendance of other honorable members. I may be pardoned for a reference to the honorable member's complaint that the Governments he has supported have not been in the habit of consulting members of their party before submitting important legislation. The honorable member's statement is an indication that he thinks that the old system of party government might be improved by the adoption of the methods followed by a party which in this House is not in office nor yet in Opposition. The honorable member's complaint of the neglect of the Government to confer with himself and others on matters of which they have special knowledge is a testimonial in support of the methods of the Labour Party. In saying that the Labour Party meet, not for the purpose of consulting as to their action with regard to the business before Parliament, but in connexion with their duty to some outside irresponsible bodies, the honorable member spoke of what he did not understand, because the members of the Labour Party do what he has said they do not do. They confer upon every matter of legislation submitted to Parliament, with a view to threshing out the details of each proposal, and coming to a conclusion upon them in the interests, not of any section, but of the whole of the people. I have been interested, amused, and amazed at the varying attitudes assumed by honorable members in different parts of the Chamber in dealing with this measure. Whilst the deputy leader of the Opposition, and other honorable members who have followed him on the same side, have led the outside public to believe that they would spurn a Government that would bring in legislation of this character, and have declared that the provisions of this measure must end in disaster to the trading community, they have concluded their speeches by asserting that it is their intention to support the second reading of the Bill. During the recess the leader of the Opposition and those who support him have from many public platforms denounced anti-trust legislation. The newspapers supporting them have been equally strong in their denunciations of it.

Yet when honorable members of the Opposition enter this Chamber, and an anti-trust Bill is submitted for their consideration, the bulk of them sink the principles to which they have given expression on the public platform, and declare that they intend to vote for the measure. Really the attitude of honorable members who profess to represent the interests of the commercial community is indescribable. During the debate I have heard with great regret accusations made by honorable members opposite which do not reflect credit upon them or upon this Parliament. In discussing a measure of this kind, it is not unusual for honorable members opposite to charge the Minister of Trade and Customs with being corrupt, and to leave it to be inferred by the public that he is untrustworthy, and is capable of acting a dishonorable part. There is little wonder that newspapers and people outside should be so ready to besmirch the characters of Members of Parliament when we find honorable members, without any evidence, and without being prepared to make a direct charge, making observations which are calculated to lead the public to infer that the Minister in charge of the Customs Department of the Commonwealth is open to conduct which would disgrace his position. It is easy for honorable members who have no regard for the dignity of Parliament and the honour which should attach to the possession of a seat in this House, to smile at the methods which from time to time are adopted to score off a political opponent. The honorable and learned member for Werriwa the other night made a statement which would justify the inference that the Minister of Trade and Customs had done something absolutely dishonorable. He inferred that the honorable gentleman was prepared to use his position in such a way that those interested in a new iron and steel manufacturing company to be established in Melbourne might be led to believe that the company would be enabled to make greater profits as the result of some subsequent action to be taken by the Government, and that as a consequence the shares of the company had gone up to the tune of 100 per cent. If the honorable and learned member knew anything at all about company flotation, he would have known that it is the history of nearly all public companies that in their embryonic stage various methods are adopted for booming their shares before anything

Mr. Webster.

practical has been given to the public as a result of their operations. I am complaining because it has been suggested in this Chamber time and again by members of the Opposition that the Minister of Trade and Customs has not acted, and is not acting, honorably. That charge should not be made unless it can be proved, and the man who makes such a charge without substantiating it is a worse enemy than he who would deliberately strike his foe. These suggestions of corruption are discreditable to those who have made them, and who cannot substantiate corrupt charges.

Mr. LIDDELL.—No charges have been made against the Minister. Members of the Opposition have spoken only of what might be done by future Ministers.

Mr. WEBSTER.—The Minister has been spoken of, time and again, in a manner which no other man would tolerate. I should be the first to vote for an investigation of any direct charge against a man holding a high public office, but I shall be the last to allow such a man to be attacked in a cowardly fashion by others, who have not the courage to make straight-out charges. It has been said that the trusts and combines which the Bill is intended to regulate have been the cause of much evil in the public life of the world. The records of America show that trusts have largely corrupted the Parliaments of that country, whose members have from time to time been bought by them.

Mr. WILKS.—Only the Senate.

Mr. WEBSTER.—What does it matter, so long as the corruption has taken place? If trusts are a danger to public morality, why should we not try to avoid that danger here?

Mr. WILKS.—The honorable member's party says that the State should own everything.

Mr. WEBSTER.—We have said definitely what we mean; but I do not know that the party to which the honorable member belongs knows what it means. A measure of this kind is necessary, because of the conditions which exist to-day in other parts of the world. It has been asked why should we pass legislation of this character, seeing that we have no monopolies in Australia? But we know how injurious are the effects of monopolies, and, therefore, we should not allow them to be established in our midst. The harvester case alone calls for

interference by Parliament, in the interests of manufacturers and producers alike. Great injury is now being done to the farmers of New South Wales by the abnormal prices which they are being charged for the machinery which they have to buy to carry on their industry. It has been said that there is no reason for interfering with the iron industry; but, only the other day, when the Victorian Government called for tenders for the supply of rails, they were offered rails at \$27 a ton, landed on the wharf at Williamstown, which were being sold at the works in America for \$28 a ton. That is an example of the extent to which a large company will cut down prices in order to get business. Monopoly is the outcome of opportunity, and if we follow the old maxim that prevention is better than cure, we shall destroy this opportunity. The deputy leader of the Opposition spoke of a natural economic law with which we should not interfere.

Mr. JOSEPH COOK.—I said nothing of the kind.

Mr. WEBSTER.—The honorable member rarely admits that he has said what other people have heard him say. The honorable member for Mernda made practically the same statement. Do honorable gentlemen term a natural law that which is only commercial law, due to the evolution of commerce and manufacture? Do they say that conditions which have become a menace to the welfare of producers and consumers alike should be allowed to intensify, and that the public should not take legislative action to protect themselves from them? Why should we not interfere with this so-called natural economic law? Those who have studied industrial progress know that the tendency of the age is towards the concentration of business control, which leads to monopoly, which, in its turn, allows the most barefaced and flagrant imposition. It is the duty of the representatives of the people to protect the community from these results of commercial evolution. Honorable members opposite do not show us any remedy for these evils, whose existence they cannot but admit, and they are, therefore, going to accept the Bill which they have condemned so much, although they say that they will amend it in Committee. That is always said by men who wish to get themselves out of a difficult position. We have been told that time will remedy these evils without Government interference. But in deal-

ing with these matters, we have to deal, not with the best, but with the worst side of human nature; with the mercenary spirit which, to gain its own ends, would crush all opponents. The honorable member for Mernda says that no good will come from this measure; but, while I am not very much impressed with it as a means for suppressing monopolies, I do not agree with the leader of my party in not expecting any practical result from it. I think that there are provisions in the Bill which are calculated to remedy some of the evils with which we have to contend, which, if not nipped in the bud, will grow to terrible proportions. The clauses prohibiting the obtaining of unfair profits by importers can, in my opinion, be successfully administered in the interests of the people of Australia. I am not sure that a Judge of the Supreme Court would be the best person to deal with questions arising under the Bill, and feel inclined to support the creation of a Board of experts who would thoroughly understand the questions upon which they were called to adjudicate, and of a jury of experts acquainted with the intricacies of commerce and manufacture. The honorable member for Mernda tried to show how it would be possible for the International Harvester Company to defeat the intentions of Parliament. He contended that the trusts would probably take measures to defeat the object of the Bill. He suggested that they would engage men to come to Victoria, and manufacture machines, and that they would then employ agents in the other States to first purchase, and afterwards sell their machinery, and in this way escape the possibility of being penalized under the law. No one can deny that means are very often found for escaping legal liability. In the United States it is complained that no sooner is one hole in the net which has been drawn round the trust stopped up, than another one is made by the lawyers. President Roosevelt complains that the Sherman Act and the Wilson Act have alike proved ineffective.

Mr. HARPER.—That is owing to the wicked lawyers.

Mr. WEBSTER.—They are wicked in many respects. If it were not for the lawyers in Parliament and outside of it we should not need the same number of laws that we have to-day. Our Statutes would be more clearly understood and effective than they are at present. I do not

think that the measure will prove an absolute remedy for the evils complained of, but it will certainly be in advance of anything that has been placed upon the statute-books of other countries. The Attorney-General has taken advantage of the experience gained in the United States with regard to trusts, and if the members of the Opposition exercise the wonderful ingenuity which they are known to possess in assisting to bring the Bill into workable shape, we shall no doubt be able to pass a satisfactory measure. I expect that the Bill will put a stop to some of the operations that are now proving injurious to our industries, and that it will prevent other proceedings of a similar kind. The arguments of the honorable member for Mernda, which were directed to showing that the measure would prove ineffective, seem to me to supply the strongest reasons for adopting the policy advocated by the Labour Party, namely, the nationalization of such monopolies as are beyond control by the Legislature. We are prepared to take that course if the present measure should prove unsatisfactory. The honorable member for Mernda stated that monopolies did not grow out of the concentration of manufacturing operations, but out of the control of transportation. I admit that there is a great deal of truth in that. No doubt the control of transportation enables monopolies to be largely extended. I do not, however, agree with the honorable member that owing to the fact that our principal means of transportation are in the hands of the States monopolies cannot assume large and harmful proportions in the Commonwealth. I maintain that we have injurious monopolies amongst us to-day. The harvesting combine is operating to the detriment of our local industries. The shipping combine is also proving harmful, and I might point to many other large trading enterprises which should be restricted to some extent. We find that in Melbourne a combination is being formed among the brewers with the object of crushing out a competitor that has recently proved successful. The brewers are making the fullest use of the control which they exercise over certain tied houses.

Mr. HARPER.—The combine has been formed with a view to getting rid of the tied houses.

Mr. WEBSTER.—That is a detail with which I am not now concerned. As a

matter of fact, the brewers' combination are supplying their tied houses with beer at £3 2s. 6d. per hogshead, whilst other houses, which have been taking their beer from the Co-operative Company, are being supplied at the rate of £2 10s. per hogshead. The sole object of this reduction in price is to crush out the Co-operative Company. If the combine succeed, the price of beer will again go up, and the consumer will be penalized. The honorable member for Mernda led us to infer that he could always be depended upon to defend those industries in which he was interested. I do not blame him for taking that course, but I do not think that he has a right to reproach us for not attending to listen to him. The honorable member attempted to show that the sugar industry was not the subject of a monopoly. I do not think that he succeeded, but I shall take another opportunity of refuting his arguments. I shall defer any further remarks I may have to make until the Bill reaches the Committee stage.

Debate (on motion by Mr. SKENE) adjourned.

PERSONAL EXPLANATION.

Mr. JOSEPH COOK (Parramatta) [3.55].—I desire to say a few words by way of personal explanation. In the course of my speech, a night or two ago, I referred to the honorable member for Bland in these terms—

Anti-Socialism is against the honorable member's formula, in which he describes his objective as the condition of things in which we produce for use, and not for profit.

Mr. WATSON.—I did not so describe my objective. The honorable member's statement, like something else he has said, is untrue.

I said then that I would make no further remark on the subject, but would ask leave to make a further explanation when I had had time to look up the quotation which was then in my mind. I now desire to quote from a report published in the *Sydney Worker* of 1st July of last year. The report is headed "Labour in Politics"—"Splendid Speech by Mr. Watson"—"At Sydney Protestant Hall"—"Great Demonstration of Women." Under the sub-heading of "Ideal and practice," the honorable member for Bland is reported as having stated—

The Socialism of the Labour Party was this—they looked forward to the ideal when collectivism took the place of competition in this world, when production would be for use, and not for profit.

That, I venture to say, summarizes the precise formula of all the Continental Socialists of whom I have read.

Mr. WATSON (Bland) [3.57].—I do not wish to imply, and I do not think I did imply the other evening, that the honorable member was attempting to deliberately misrepresent what I had said. In regard to the quotation which has just been read, I desire to say that it is not a correct report of what I said on the occasion referred to. I believe that the report—I have not had time to ascertain definitely—is a reproduction of a very much condensed report published in the daily newspapers, and it does not correctly record all that I stated. I have stated on many occasions that Socialism certainly does aim at what is there indicated, but I have not said that the objective of the Labour Party, so far as it is expressed, aims at anything of the kind.

Mr. JOSEPH COOK.—According to the report, the honorable member said that.

Mr. WATSON.—I did not say, on the occasion referred to, what the *Worker* represents. The report is very much condensed. My speech extended over about two hours, and the report of my remarks has been condensed into a very short space, and, necessarily, is not quite accurate.

DESIGNS BILL.

Bill received from the Senate, and (on motion by Mr. GROOM) read a first time.

METEOROLOGY BILL.

Bill received from the Senate, and (on motion by Mr. GROOM) read a first time.

SUPPLY BILL (No. 1).

Bill returned from the Senate, without request.

ADDRESS-IN-REPLY: PRESENTATION TO GOVERNOR-GENERAL.

Mr. SPEAKER.—I have to announce that His Excellency the Governor-General will be prepared to receive the Address-in-Reply to his speech delivered at the opening of Parliament at 4 o'clock on this day fortnight.

PAPER.

Sir JOHN FORREST laid upon the table the following paper:—

Memorandum by the Agent-General for New South Wales in London as to the transference of debts to the Commonwealth.

ADJOURNMENT.

Mr. DEAKIN (Ballarat—~~MINISTER~~ of External Affairs) [4.0].—I move—

That the House do now adjourn.

Perhaps I may be permitted to say that I do so in view of my concurrence with the deputy leader of the Opposition in his suggestion that this debate should not be brought to a conclusion to-day, so far as the second reading of the Bill is concerned, and will, I trust, be concluded upon Tuesday next.

Mr. JOSEPH COOK.—I did not make any such statement.

Mr. DEAKIN.—The honorable member suggested that we should not finish the debate to-day, as I had hoped we should.

Question resolved in the affirmative.

House adjourned at 4.1 p.m.

House of Representatives.

Tuesday, 26 June, 1906.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

POSTAL ADMINISTRATION.

Mr. JOHNSON.—I wish to know from the Acting Postmaster-General if the allegation contained in the following statement, published in the Melbourne *Argus* on the 23rd inst., is true—

Contrary to the postal regulations, if not to the law, a political publication has been distributed through the Postal Department with the words, "On His Majesty's Service," printed on the covering wrapper in large type.

The paper, which has been brought under our notice, is entitled the "Dairy Farmer and Agricultural News," and the latest number was published on June 8. Letters of complaint which we have received from different parts of the State indicate that copies were specially addressed to all the farmers of the State. But it is far from being a journal devoted to matters generally of interest to the primary producers. From cover to cover it is manifest that it is a political publication of the most partisan character. The articles, many of which are reprints, and especially the cartoons, are obviously designed to promote the interests of not only protection, but of prohibition. Practically the only break in the electioneering letterpress is a "market report" hidden away in an odd corner, and most of the matter is in advocacy of the Anti-Trust Bill and of the exclusion of imported harvesters.

If that allegation is true, by whose authority was a private publication of the character referred to, bearing on its wrapper

the words "On His Majesty's Service," accepted and transmitted through the post? What action does the Minister propose to take in regard to the matter?

Mr. EWING.—The same consideration is given by the Postal Department to all publications sent through the post, whatever may be the political opinions which they advocate. I am aware of the incident to which the honorable member refers, and I shall endeavour to give him full information on the matter to-morrow.

WARRNAMBOOL FIELD ARTILLERY.

Mr. WILSON.—Has the attention of the Minister representing the Minister of Defence been drawn to the dismissal, for not attending camp, of fourteen of the best men in the Warrnambool Field Artillery? Do not the regulations provide for men who do not attend camp being excused and classed as efficient, where there are special circumstances to justify that action? Will he cause an inquiry to be made as to whether such special circumstances do not exist in this case, and, if they are found to exist, will he have the discharges cancelled?

Mr. EWING.—I have seen the statement in the press, but as the head office is unable to give any information on the subject, the Commandant will be required to furnish a report, and, when it is received, the fullest information will be afforded.

PAPUAN MAIL CONTRACT.

Mr. BAMFORD.—I wish to know from the Prime Minister whether there is any truth in the paragraph appearing in the morning newspapers of Saturday last, to the effect that a fresh contract has been entered into by the Commonwealth Government and Messrs. Burns, Philp, and Company for the conveyance of mails between Australia and Papua. If there is, I should like to know whether tenders were called for the service in the ordinary way, and whether the Prime Minister will place all the papers on the table for the information of honorable members?

Mr. DEAKIN.—Tenders were invited in the ordinary way. Only two were received; and they, as the honorable member will see from the papers, which I shall lay on the table, differed greatly. We propose to accept the tender of Messrs. Burns,

Philp, and Company, which will give us a far better service than we have had before, without increasing the cost.

GOVERNORSHIP OF PAPUA.

Mr. CARPENTER.—Has an offer been made to Sir William MacGregor of the governorship of Papua? If such an offer has been made, is the Prime Minister compelled to go on with the negotiations, or can he, in view of the generally expressed desire to have an Australian appointed to the position, afford the House an opportunity to consider the matter?

Mr. DEAKIN.—Nothing will be done in connexion with such an appointment until the House has had a full opportunity to consider the matter.

POSTMASTERS' CASH ACCOUNTS.

Mr. HUTCHISON.—On the 21st June the Acting Postmaster-General informed the honorable member for Canobolas that subordinates check weekly the postmasters' cash accounts. Does not the honorable gentleman consider that a very unsatisfactory system? Will he have it abandoned in favour of a better one?

Mr. EWING.—The system was suggested by the Auditor-General, and approved by the Secretary to the Postal Department. If the honorable member desires any further information on the subject, I can give it to him.

NAVAL LONG SERVICE MEDALS.

Mr. WATKINS.—Does the Minister representing the Minister of Defence know what has been done in the direction of providing long service medals for members of the Commonwealth Naval Brigade? I asked several questions on the subject at the beginning of last session, and was informed that the matter had been referred to the Attorney-General, to see if what was suggested could be done. I wish to know if anything has been done?

Mr. EWING. --- I shall endeavour to inform the honorable member to-morrow, after consultation with the Minister.

NEW HEBRIDES.

Mr. JOHNSON. — Has the Prime Minister received a reply to his recent cablegram to the British authorities in connexion with the New Hebrides? If so, can he give the House any information on the subject?

Mr. DEAKIN. — I intended to mention at a later stage that a reply has been received, calling attention to the fact that the representations made on behalf of New Zealand and the Commonwealth have not yet arrived in Great Britain. It is correctly supposed there that we have asked for certain alterations in the proposed agreement, and it is suggested—I think with reason—that it would impede any attempt to give effect to those representations if the full text of the proposed agreement were published. Therefore, subject to the approval of the House, I do not, under the circumstances, propose to press for its publication.

PAYMENT OF NAVAL DEPARTMENT.

Mr. MAUGER. — Does the Minister representing the Minister of Defence know any good reason why the men in the Naval Department should not, like those in the Military Department, be paid fortnightly, as it would be a great convenience to them to be so paid? I ask if he will see that the same facilities are given to the two branches of the service?

Mr. EWING. — I see no objection to that being done, but I shall inform the honorable member of the intention of the Minister later on.

APPOINTMENT OF AUSTRALIAN OFFICERS.

Mr. CROUCH. — Does the Minister of Defence intend to adhere to his announcement that all appointments to the Australian forces shall be made from amongst Australian officers?

Mr. EWING. — I shall endeavour to give the honorable and learned member an answer in a day or two.

PAPERS.

MINISTERS laid upon the table the following papers:—

Treasury regulations, Statutory Rules, 1906, No. 19.

Summary of the report of the Secretary to the Department of External Affairs on the case of Mr. J. R. Craig.

MILITARY APPOINTMENTS.

Mr. McCAY asked the Minister representing the Minister of Defence, *upon notice*—

Will this House be given an opportunity of discussing any changes in the *personnel* of the Inspecting Staff and the Military Board before the Government definitely makes them or commits itself to making them?

Mr. EWING. — The answer to the honorable and learned member's question is as follows:—

Yes. The whole subject can be discussed when the Estimates are before the House. The retirement of Major-General Finn does not take place until December next.

EX-DRIVER FAY.

Mr. KELLY asked the Minister representing the Minister of Defence, *upon notice*—

Whether the Government will see its way to grant a pension to Driver Fay, who has been crippled for life in the exercise of his duty?

Mr. EWING. — I have been informed—

Driver Fay has been granted the sum of £278 14s. 3d., which is the full amount of compensation allowable under the Regulations. The Defence Act makes no provision for pensions.

REPORT OF MILITARY BOARD.

Mr. McCAY asked the Minister representing the Minister of Defence, *upon notice*—

What is the reason that, while the report of the Naval Board for 1905 is signed by the senior Naval Officer on the Board, the report of the Military Board for 1905 is signed by the Minister, and not by either the Secretary or the senior Military member of the Board?

Mr. EWING. — I have been informed—

Paragraph 8 of the Naval Regulations provides that the Director of the Naval Forces "shall furnish an annual report on the 1st of January." The report referred to by the honorable and learned member as the "Naval Board's Report" is the annual report so submitted by the Director of Naval Forces. The report of the Military Board was signed by the Minister as President of the Military Board, and no other signature was considered necessary.

AUSTRALIAN INDUSTRIES PRESERVATION BILL.

SECOND READING.

Debate resumed from 22nd June (*vide* page 683), on motion by Sir WILLIAM LYNE—

That the Bill be now read a second time.

Mr. SKENE (Grampians) [2.42]. — Whatever may be the ultimate fate of the Bill—and so far as I can see no sufficient cause has been shown for its introduction—its consideration has given rise to one of the most interesting and instructive debates that we have had in this Chamber. The honorable members for North Sydney and Mernda have contributed speeches of great educational value; speeches which, coming as they did from men of their com-

mercial experience, must be as highly regarded as would be addresses upon a constitutional question by the Attorney-General, the honorable and learned members for Angas and Northern Melbourne, or other leading lawyers. Those honorable gentlemen have intimate knowledge of the business transactions which the Bill is intended to regulate, but, apparently, they are unable to find a sufficient justification for its introduction. Australia, with a population of 4,000,000, is a small community in comparison with the United States of America, with a population of 84,000,000, and it seems strange that we should so soon in our history require a measure of this kind. The probity of the business men of the British race has always been claimed to be greater than that of any other business men in the world. The reputation of the business men of the United States of America is not so good. But it seems to me that, by introducing a Bill of this kind, the Government are, to some extent, countenancing the party which has been said to decry the country we live in. How will people abroad view the matter? Will it not appear to them that we have to depend upon drastic measures of the kind which have been adopted only in such countries as the United States, where great evils are known to exist?

Mr. SPEAKER.—I am sorry to have to call attention to the numerous conversations now proceeding; but there are five or six groups of honorable members conversing in somewhat loud tones, so that it is not surprising that the honorable member for Grampians finds it difficult to make himself heard, and that it is almost impossible for me to follow what he is saying. I ask the House, in courtesy to him, and to the 22,000 or 23,000 electors whom he represents, to listen to his speech in silence.

Mr. SKENE.—The general impression seems to be that this Bill is intended to protect certain industries against evils which have not been shown to exist. I was pleased to notice that in the Governor-General's speech, Ministers did not put into His Excellency's mouth words which they so frequently use themselves—the "alleged" tobacco monopoly was spoken of. I have looked into the evidence in regard to the supposed monopoly, and I have heard a great deal with reference to the combine associated with it. So far as I have been able to gather the facts, there is no absolute proof that a monopoly exists, or that

the combine has been other than a beneficent one. The tobacco manufacturers have joined forces with the view of lessening the cost of distribution, and not with the object of increasing the price to the consumer or reducing the price to the grower of the leaf. That is the position in which the matter stands at present. We have heard a great deal with regard to the harvester trust, which has been indicted on the evidence of interested persons. Some time ago a combination was entered into between the importers of harvesters and the local manufacturers. That was not what I would call a beneficent combine, because so far from having been entered upon for the purpose of reducing the cost of putting the harvesters upon the market, it aimed at keeping up the price. So long as that combination existed the local manufacturers made no complaint, but when it came to an end they made loud complaints with regard to the injury that was being done by the sale of imported harvesters at low prices. It was stated by the local manufacturers last year that some 1,800 machines were on their way to the Commonwealth, but we now know that only about 1,300 harvesters have been imported. The honorable and learned member for Angas told us that between 5,000 and 6,000 harvesters were sold to farmers last year, and in view of the fact that only 1,300 harvesters were imported—we have no evidence as to how many were sold—and that over 400 were exported, our manufacturers appear to have been doing remarkably well.

Mr. PAGE.—This Bill will put an end to any dumping.

Mr. SKENE.—The local manufacturers can scarcely complain of dumping as affecting them, when only 1,300 harvesters are imported as against the 5,000 or 6,000 sold to farmers. We have had no proof that dumping has taken place. The Minister was challenged by the honorable and learned member for Corinella to mention cases in point, but he deferred his reply until some other time. When the Minister was questioned on the subject, I remembered that I had heard that boots were dumped upon this market, and it occurred to me that the cry against dumping might have been raised by interested persons with a view to their own advantage. Upon one occasion a lady of my acquaintance went to a bootmaker, who

made footwear for her, and told him that she was wearing a pair of American boots. He looked at the boots and said that they had never been out of Melbourne. Then, again, when I was in Sydney recently, I was told by a gentleman well known to the Minister of Trade and Customs, and of the same political persuasion as himself, that a boot manufacturer there noticed in a shop window a pair of boots marked "Best Parisian make, 32s. 6d." He entered the shop, and said, "Isn't this coming it a little too strong? You bought those boots from me for 8s. 6d." The shopkeeper replied, "That is perfectly true, but if I were to offer them as Australian-made boots for 12s. 6d. a pair, I should not be able to find a purchaser, whereas I can sell them readily as Parisian boots at a much higher price." There is the greatest difficulty in distinguishing between dumping and dishonest trading. No doubt the prejudice on the part of the public is largely responsible for the deceptions that are practised. A traveller in the boot trade told me recently that the local manufacturers were doing very fairly under the present Tariff. The honorable member for Moira spoke of the indebtedness of the farmers to Australian inventors. I admit that the farmers have been, to a considerable extent, indebted to local inventors, but, on the other hand, the American manufacturers have some claim to our consideration. I do not know whether the honorable member is old enough to remember, as I do, the English implements that were in use before American tools and implements came to this country. I can remember when we discarded the old No. 2 British axe in favour of the American axe, and also when we did away with the British pitchfork, with a great clumsy handle, and enough steel to make four American tools. In the same way the American hay rake was a great improvement upon the English tool.

Mr. KENNEDY.—But of what use would be the hay rake or the fork to the farmer who had no crop to harvest?

Mr. SKENE.—The use of an English pitchfork would not insure to the farmer a bigger harvest.

Mr. KENNEDY.—No, but my point is that the ploughs and the cultivators came before the forks and the hay rakes.

Mr. SKENE.—I admit that many improvements have been made in agricultural

implements owing to the opportunities which our manufacturers have had to study the necessities of the farmers. I am sure that if our local manufacturers were to rely more upon their own pluck and skill and good workmanship, instead of squealing out that they are being killed by the importer, they would stand a much better prospect of securing the market. I was glad to hear the honorable member for Moira state that he would not apply the proposed restrictions against dumping to importations from any portions of the British Empire. I would point out, however, that the greater part of the alleged dumping takes place in connexion with goods manufactured in the Empire. The Massey-Harris Company are the strongest competitors of our local manufacturers in regard to agricultural implements. If our manufacturers would combine to cheapen the cost of putting their articles upon the market they would act very wisely. Some time ago I interviewed the managers of both the Sunshine Harvester Company and the Massey-Harris Company, and they made no secret of the fact that they had entered into a combine with a view to maintaining a certain price for their harvesters. Mr. McKay told me that if every one would do as I had done, and buy direct from the manufacturers instead of putting them to the expense of sending travellers round the country, they would be able to sell their machines much more cheaply. A combination among the manufacturers, or even between importers and manufacturers, with a view to lessening the cost of distribution, would be beneficial to the farmers. I think that we might try to get along with some measures less drastic than those proposed in the Bill. The Minister claims that he has succeeded in breaking up the harvester combine. I presume that he means that he has succeeded in restricting their operations by increasing the valuation of the machines for the purpose of assessing the amount of duty. If he can succeed in breaking down outside competition in this way, he can still more easily regulate local combines. He admitted that protection in Australia would have the effect of producing rings, trusts, and combines. High duties are bound to produce undue competition, and when that takes place, either profits must be reduced, wages decreased, or increased prices be charged to the consumer. The manufacturers are hardly likely to submit to a reduction in

their profits. There is a much greater chance of their reducing the wages of their employés, or increasing the price to the consumer. A very sensible protectionist friend of mine who is engaged in the metal trade, was asked, some time ago, whether he wanted a higher duty to be imposed on the goods he manufactured—the duties had been reduced under the Tariff as compared with those prevailing under the Victorian Tariff. He said that he did not require any higher duties, because he was doing fairly well, and he realized that a higher duty would result in more competition. He said that he would prefer to go on as at present, rather than run the risk of any change in the direction indicated. There can be no question that in a limited market, such as we have, an industry, which requires more than a reasonable degree of protection is likely to become the subject of undue competition. I think that the Minister is on the right track so far as local combines are concerned, but if reasonable protection were granted there would be no necessity for a Bill of this kind. If the local combines engaged in any practice to the detriment of the public we could then allow the influences of free-trade to operate more freely. If the Minister contends that he will be able to break down a foreign combine in the way he has mentioned he may, with a great deal more reason, believe that he will be in a position to destroy any internal combine. But if the Tariff is to be made the governor of the industrial machine, one thing is necessary, namely, that its revision should be taken wholly out of the fighting line of party politics. No fiscal truce will suffice. It must be made a business, and not a political question. Prior to Federation, the States had arrived at some sort of settled policy in regard to this matter. New South Wales had adopted a policy of free-trade, whereas the electors of Victoria had supported a system of protection. Having arrived at some settled view upon this particular question, the States were afforded an opportunity for development, which the country will not have, so long as we continue quarrelling over it. Unless the Commonwealth arrives at some settled policy in this connexion, I believe that our progress will be retarded. Although I hope for much from the Tariff Commission's reports, I think that the recommendations of that body will, probably, touch only the fringe of the subject. I well

remember that Sir William McMillan, speaking in this very Chamber, pointed out the inequality of the incidence of taxation in respect of cotton goods. The right honorable member for Balaclava also referred to certain other disabilities in regard to this matter. If the Tariff is to be made a means of governing the industrial machine, I hold that the fiscal question should be taken entirely out of the fighting-line of politics, and some other method of dealing with it should be devised.

Mr. FOWLER.—Will the honorable member agree to the taking of a referendum upon the subject?

Mr. SKENE.—I am not prepared to do that. What is in my mind is something in the nature of a Board of Trade, a permanent body which would report to this House upon any anomalies that may exist in the Tariff, upon any evidence of dumping that may be discovered, and upon the existence of combines, &c. That step, however, can never be taken if we are to make the Tariff a political question, and if its revision can only be effected by a fight between the two fiscal parties. Whilst I regard the Tariff Commission as a body which has done exceedingly useful work, and whilst I entertain great hope of good results from its reports, still, some other method of Tariff adjustment requires to be adopted. The right honorable member for Balaclava, in speaking upon this matter, said—

Every one admits that there should be an inquiry into the working of the Tariff, and if it is to be conducted on right lines, no industry, whether it be small or large, should be shut out. . . . My experience teaches me that the moment a Tariff Commission touches one line, it is impossible to say where its labours will terminate. Take, for example, the item of "Woollens," which is subject to an import duty of 15 per cent., and in respect of which it may be urged that a duty of 25 per cent. should be imposed. If that duty were so increased, it would necessarily follow that an additional duty of 10 per cent. must be imposed on articles made up from the raw material, otherwise we should handicap those who are making up the raw material in Australia.

In that connexion I feel that there is some necessity for dealing with this matter in a totally different way from that in which it has hitherto been dealt with. It is necessary that it should be taken altogether from the arena of party politics.

Mr. HUTCHISON.—It is impossible to do that.

Sir WILLIAM LYNE.—Take what out of the arena of party politics?

Mr. SKENE.—The question of the revision of the Tariff.

Sir WILLIAM LYNE.—Nonsense.

Mr. SKENE.—I know that such a step would not suit the Minister, and I am not in the least surprised at his attitude towards my suggestion.

Sir WILLIAM LYNE.—The honorable member had better take every question out of the arena of party politics if he would take the Tariff out of it.

Mr. SKENE.—In Australia the control of the railways has been taken out of the arena of party politics, and in Victoria that system has proved of very great advantage to ourselves, seeing that we have converted a deficiency of £300,000 or £400,000 into a surplus of £200,000.

Mr. HUTCHISON.—By "squeezing" the workers.

Mr. SKENE.—Not wholly.

Mr. TUDOR.—The greater portion of the railway surplus has been made up in that way—by violating the eight hours' system.

Mr. HUTCHISON.—And by employing women as stationmasters.

Mr. SKENE.—I do not know what truth there may be in the honorable member's statement. But there are various reasons why the conditions in this State, so far as the railways are concerned, have improved very much. We all know that when the present Commissioners took office things had already been cut almost to the bone, and consequently I hold that the Commissioners have done exceedingly well.

Mr. TUDOR.—Deficits occurred in the Railway Department under the management of Commissioners.

Mr. SKENE.—But those Commissioners had not the same staff as have the present Commissioners.

Mr. HUTCHISON.—We have enjoyed good seasons since the appointment of the present Commissioners.

Mr. SKENE.—I do not attribute the railway surplus in Victoria entirely to the present management of the lines, but certainly their management would not have been better had it been liable to be upset by political interests. In this connexion the leader of the Labour Party trotted out his universal cure of nationalization. I need scarcely say that I am very strongly opposed to that system, and I should like to advance a few reasons why his plan would not work. The honorable member affirmed that nationalization was not Socialism. I am quite prepared to admit that it is not.

I think that we may call it State control, and wherever State control occurs political influence inevitably creeps in.

Mr. KENNEDY.—The honorable member has just quoted a splendid illustration to the contrary.

Mr. SKENE.—I say that I am wholly in favour of the present system of running our railways. All those who spoke upon this Bill the other day showed how different things might have been in the United States had the railways there been State-owned. I am quite sure that the system of State-ownership of railways is much cheaper for the community than is the system of private ownership. The railways of the United States are owned by persons in all parts of the world—shares are held in places like Edinburgh and Glasgow—and I remember seeing it stated that the sum of £600,000,000 had been lost there by reason of the cut-throat competition which existed between the various railway companies. I do not for a moment question that there may be cases in which State control of particular undertakings, is beneficial. I think that one may have a small fire to warm him and a big fire to burn him. Personally, I merely want the small fire to warm me. The leader of the Labour Party in speaking upon the Manufactures Encouragement Bill, with a certain amount of prescience, declared that if he thought the nationalization of the industry would lead to the exercise of political influence, he would prefer that it should be left to private enterprise. I hold that State control can only be used within strict limitations. Whilst it might be extended to certain undertakings, the very greatest amount of caution would require to be exercised, because, with its extension, the risk of the introduction of political influence would be increased. We have experienced some trouble in eliminating political influence from the control of our railways. If I may be permitted to make one reference to the speech delivered by the Premier of Victoria on Saturday night, I would say that I am very glad he has been able to revert to the old condition of things in that connexion.

Mr. HUTCHISON.—Politicians have always been a bad lot.

Mr. SKENE.—I do not know whether it is the fault of politicians that they are a little too much amenable to the interests of their friends at times. We may all be tarred with the same brush in that respect.

But if we adopt a system of regimentation in all departments, those departments will be as sure to quarrel as will individuals, and there is one department only which can eventually come out on top. At present, it is known as the Defence Department, but it may assume a very different form. In history, the only cure for democracy run mad has been the use of a military force.

Mr. FOWLER.—We have never had an educated democracy in the history of the world until the present time.

Mr. SKENE.—Education, I think, is a relative term. We may not proceed to the extremes of the Pretorian Guards, who put an Empire up to auction, but as certain as we institute a system of regimentation within departments, there will be a big cataclysm, and a reversal to some other system—probably to a system of military despotism.

Mr. SPEAKER.—Does the honorable member think that his remarks have any relevance to this Bill under consideration?

Mr. SKENE.—I am replying to the observations of the leader of the Labour Party, in which he contended that nationalization would be a cure for any of the evils of unfair competition, &c. I am endeavouring to show where such a system would land us. However, I do not wish to pursue the subject further. I merely desire to say that this Bill goes a long way beyond the question of the State control of industries. It introduces what may well be called a system of State interference or meddling. If we should avoid one thing more than another, it is a meddler, especially a political meddler. It does not initiate any system of general control, but it is apparently intended to enable an inquiry to be made into people's business. It is inquisitorial in its character, and covers ground which, as British subjects, we have hitherto regarded as sacred.

Mr. HUTCHISON.—Every law necessarily implies meddling by the State.

Mr. SKENE.—I do not think so.

Mr. KENNEDY.—They say that of the income tax.

Mr. SKENE.—The statement is perfectly true in regard to the income tax.

Mr. TUDOR.—Whether a law is meddling or not depends upon whom it hits.

Mr. JOSEPH COOK.—Even the simple matter of taxation has ruined nations before to-day.

Mr. SKENE.—I have always been surprised that the income tax should be productive of such a small revenue. I hope that the Government will regard this discussion in the light of a preliminary canter, so far as the Bill is concerned. I agree with those who urge that we ought to wait until the Tariff Commission's report in regard to machinery is available before we proceed further with it. I believe that the report of that body on machinery and metals is now ready for presentation, and it is only a matter of a few days when it can be placed before us. The Government ought to recognise from the tone of the debate that if in the future it is shown that there is really some evil to combat, it will be easy to pass this measure. I do not exactly know whether—if we agree to its second reading—we shall be prevented from coercing or inducing the Government to bring forward the Tariff Commission's report. At the present moment my position is that I should like to see the second reading of the Bill passed, with a view to its provisions being threshed out in Committee in the light of the information that we are able to obtain from honorable members generally, even if it were then dropped. The adoption of that course would have the effect of putting upon record very useful information for future reference. When the time arrives, if evils are really shown to exist, I feel sure that the Government of the day will have no trouble whatever in persuading Parliament to adopt measures to combat them.

Mr. HIGGINS (Northern Melbourne) [3.15].—This House is under an obligation to the Attorney-General for his lucid exposition of the Bill. I have read it, and it has thrown light upon a number of matters I found some difficulty in understanding. I cannot help thinking that, in several respects, this is one of the most difficult Bills that has yet been before this Parliament—difficult to understand, difficult to see how far its application goes, and how far the general fundamental movement of human society is consistent with the measure. When understood, however, the clauses of the Bill become rather crude and almost laughably simple. If you see some goods being dumped on Australia, stop them if you can; if you find a combination in restraint of trade, fine or imprison the man if you can find him. As to the dumping matter, I think this House will, by a great majority, gladly try this experiment. It is

quite time to take some action when the representative of an outside manufacturer of great wealth and power boldly says that he is going to drive out of the Australian market an Australian machine. I do not know but that I should be willing to have a good deal of experimental legislation, if it were necessary, to pull ourselves together, and see if we are not able to deal with this insolence. As to Part II. of the Bill, dealing with the repression of monopolies, I doubt very much whether the clauses in this part will do much practical good. I say so simply because monopolies are produced by the very same forces as produce economy, efficiency, and cheapness. As the honorable member for Grampians has rightly said, they largely prevent the waste of competition in the pushing of the wares of a business by means of commercial travellers and advertising, and otherwise. I wish to speak first with respect to a remarkable distinction drawn in clause 5 between corporations and individuals. Honorable members will no doubt have perceived that under clause 4 the individual who has a monopoly is not amenable to the Bill unless he is acting in relation to trade or commerce between the States and with other countries.

Mr. WILKS. — It does not apply to a monopoly within a State.

Mr. HIGGINS.—It does not apply to the monopoly of an individual within a State. Clause 5 says with regard to corporations, whether foreign or domestic, that it is to be a penal act for a corporation to be in a monopoly, whether its monopoly is confined to one State or extends to operations between the States or with other countries.

Mr. WILKS.—By “domestic” the honorable and learned gentleman means “local.”

Mr. HIGGINS.—By a “domestic corporation” I mean a corporation formed in Australia. I understand that the very important distinction to which I have directed attention is based upon sub-section xx. of section 51 of the Constitution. Under this section we have power to make laws for the peace, order, and good government of the Commonwealth with respect to, amongst other things—

Foreign corporations and trading or financial corporations formed within the limits of the Commonwealth.

It seems to be assumed that because we can make laws as to corporations, we can trench on the powers of the States in any mat-

ter affecting corporations. I doubt that very strongly. Let us just see how far this assumption will carry us. It will mean that, although we have not the power to make factory laws, because that is a subject of legislation retained by the States, still we can make a factory law which will apply to companies and not to individuals. If that is so, let us know where we are. The position will be really curious. If we can legislate in any way for corporations, whether it be in regard to factories, lands, bicycles, or anything else, I should like to know it. I have very strong doubts that we have this power. So far as regards factory laws, suppose we had a law dealing with the hours and wages in factories passed by a State Parliament, and that the Federal power is competent to pass a law with regard to companies, is the Federal Parliament competent to make a factory law applicable to companies, although it be not competent to make a factory law applicable to individuals? Under section 107 of the Constitution, it is clearly enacted that the States still retain their powers, in so far as they are not expressly given to the Commonwealth. Suppose a law were passed by this Parliament for the compulsory sale of land, provided it belonged to a company, what then? Suppose there is a restriction of the area of the lands of a State, which may be occupied by a company? Is it so, that we can take over the subjects with which the States have retained the power to deal, in so far as they relate to companies? Take the case of newspapers. I understand that the *Daily Telegraph* of Sydney is owned by a company, and that the *Age*, of Melbourne, is not owned by a company. Is it so, that this Parliament can pass any law it pleases as to newspapers and their conduct if they are owned by a company, and may not do so in respect of newspapers that are owned by individuals? I fear that we are going too far in clause 5 of this Bill. Although it is very hard to define the limits, I do think that one may roughly say that what was meant by sub-section xx. of section 51 of the Constitution, was the whole bulk of company law, as it was known under that title before the Federal Constitution was enacted. I am speaking now with great reserve, and without being dogmatic, because I feel sure that the matter has been looked into, and that very likely there are good reasons for what is proposed. But I am one who does not like to promote any friction between the States and the

Commonwealth. It is our business, so far as we can, to see that we do not exceed our powers, and to see that the exercise of Federal power, especially in these early years of Federation, is not made obnoxious to the feelings of the States Parliaments. It certainly is very startling to me, if, because we are given the right to legislate as to corporations we can encroach on the powers of the States in respect of every matter concerning corporations.

Mr. DEAKIN.—The honorable and learned gentleman's contention is that sub-section xx. of section 51 of the Constitution covers only company law as interpreted before Federation?

Mr. HIGGINS.—Nearly so.

Mr. DEAKIN.—And does not relate to the operations of a company.

Mr. HIGGINS.—I do not say that. It affects a company's operations no doubt, but I want to find out where is the limit.

Mr. DEAKIN.—Exactly.

Mr. HIGGINS.—Is it so, that in reference to bicycles, because we have power to deal with the Prime Minister of the Commonwealth we may pass a law to say what roads may be properly traversed by him on a bicycle? Just fancy a State Parliament enacting that a local authority may prescribe what particular portions of a road may be ridden over by ordinary bicyclists, and then the Federal Parliament coming in and saying that so long as a bicycle is ridden by a Prime Minister it is all right. I do not think that the Constitution intended to make such distinctions.

Mr. DEAKIN.—Really the question is whether this is company law as interpreted before the enactment of the Constitution.

Mr. HIGGINS.—I would not say that it is so limited as that. I think that the powers of legislation given in section 51 to the Federal Parliament must be read liberally and broadly, but at the same time section 107 must be read equally liberally and broadly. Under that section the States Parliaments retain all the powers they had before Federation, so far as they have not been expressly taken away by the Federal Constitution. I think it is very doubtful, to say the very least, that there is power given us to make one monopoly law for a company and another for an individual. Perhaps I ought not to put it in that form; I ought rather to say that if we are given no power to make a

monopoly law for individuals acting within a State, then we are given no power to make a monopoly law applicable to companies acting within a State.

Mr. McCAY.—Does the honorable and learned gentleman think that this Parliament can, in its company law, forbid corporations from holding land in fee simple?

Mr. HIGGINS.—That is a very difficult question. The honorable and learned gentleman has just hit a case upon the line, and I should not like to express an opinion upon it. I am taking the broad and extreme case before us, and I say that I cannot conceive of this Parliament admitting that the State, and the State alone, can deal with monopolies by individuals within the State, and at the same time claiming that we have the right to deal with monopolies by companies.

Mr. McCAY.—The honorable and learned gentleman means that we can only deal with companies in the respects in which they differ from individuals, and not in the respects in which they are like individuals.

Mr. HIGGINS.—That may be.

Mr. DEAKIN.—That would be a clear dividing line.

Mr. HIGGINS.—I admit that it is very hard to draw the line, but this is, roughly speaking, what is meant: That, the States having a power to deal with company law before the enactment of the Federal Constitution, that power has passed to the Federal Parliament. There have been books upon books exclusively devoted to company law, but no one ever thought of there being anything in those books about the law of monopoly, because there is no distinction between companies and individuals with regard to monopolies in British or American law. Let us take another instance, sub-section xix. of section 51 gives the Federal Parliament power to legislate as to aliens. Would that mean that this Parliament might prescribe one factory law for aliens and another factory law for British subjects?

Mr. McCAY.—Could not the Federal Parliament provide for the admission of aliens subject to various restrictions?

Mr. HIGGINS.—That might be done, but, at the same time, the admission would not relate to their working here. Before they come here this Parliament can legislate for them, but, they being here, it would be a most unnatural state of things for a State to provide factory laws, local government laws, and other domestic laws, and

then for the Federal Parliament to come in and say, "Oh, yes, but this man is an alien, and he is to be under a different factory law."

Mr. DEAKIN.—The States have distinguished between aliens and the rest of their citizens, both in their mining and factory laws.

Mr. McCAY.—And in their land laws.

Mr. HIGGINS.—They have, and they were fully competent to do so, as long as they were open to legislate with regard to aliens, because all the reins were in one hand, so to speak. But under the Federal Constitution the case is different. I submit that point to Ministers, and, of course, especially to the Attorney-General, who, I have no doubt, will look into it with great care. I now pass to the effects of this Bill. Suppose there were a conflict as to how the Bill was to apply. Let us take the case of a brewery which supplies beer to different States—say, a brewery in New South Wales or Victoria, or one of the excellent breweries which, I understand, exist in Tasmania. It is a common thing for breweries to have covenants for exclusive dealing, providing that a hotelkeeper shall not deal with any other than a particular brewery. That is a case of entering into a contract "in restraint of trade." A hotelkeeper is not to deal with anybody but a certain brewery. The only question which stands between the brewery company or its manager and the Criminal Court is, then: Are its contracts "to the detriment of the public?"

Mr. FRAZER.—They are, in so far as the public can get only one particular brand of beer from a particular hotel.

Mr. HIGGINS.—The honorable member may be right. That is one view. But there are other people who have other views. It is a matter of opinion, and very largely of economic and social opinion. I do not like to see a man's liberty dependent upon the economic or social opinion of any jury. In the case of a brewery, the honorable member for Kalgoorlie says that he is quite sure that it is a bad thing to have any restriction.

Mr. FRAZER.—I do not say that; I simply say that such an agreement does restrict purchasers from getting a choice of ales in certain hotels. It may, of course, have the effect of giving them a good ale and of preventing their getting many

Mr. HIGGINS.—Suppose it appeared in evidence that the beer sold at a particular hotel under such an agreement as I have described was the best beer produced in Australia. Suppose it also appeared that there were other beers which were sold at a lower price, and that the hotelkeeper in question would be likely to keep lower priced inferior beers in his hotel if he were not restricted. It is quite possible that, at least to some members of the jury, it would appear to be a good and beneficial thing for the public to have trade restricted in that way. But I should not by any means like, if I were charged as a brewery manager with an offence under this measure, to appear before a teetotal jury. It all depends upon the jury's view of what is "to the detriment of the public."

Mr. ISAACS.—The word "wilfully" is used.

Mr. HIGGINS.—With all respect, "wilfully" does not refer to intention to damage the public; it reads, "Wilfully. . . enters into a contract."

Mr. McCAY.—Does the honorable member contend that "wilfully" belongs to the words, "detriment of the public"?

Mr. ISAACS.—I think it governs the whole of the words.

Mr. McCAY.—I do not.

Mr. HIGGINS.—At any rate, the Attorney-General will look into the matter. I understand that the intention of the Government is that the word "wilfully" shall apply. But as the Bill stands there appears to me to be no element of intention at all. It means where a person "wilfully," and of deliberate purpose, makes a contract, or enters into a combination which, in fact, is "in restraint of trade and commerce," and is "to the detriment of the public." I think the honorable member for Corinella agrees with me as to that.

Mr. McCAY.—That is the way I read the Bill.

Mr. HIGGINS.—Apparently it is a mere question of drafting, but I have an old-fashioned prejudice against discrediting a man unless he has a guilty intention.

Mr. ISAACS.—I think we are all agreed upon that.

Mr. HIGGINS.—I am sure that we are. But there is a power to imprison, as well as a power to fine; and, strong as would be my views upon some economic and social matters, I should not like to see a man who differs from me put in gaol because he happens to entertain a different view of

what is to the detriment of the public and what is for the benefit of the public.

Mr. CONROY.—Unless he “squares” the Attorney-General or the Minister of Trade and Customs.

Mr. HIGGINS.—The honorable member for Werriwa sinks below the ordinary level of debate when he speaks of any such conduct on the part of a Minister. I think that all his friends regret the extreme words which he uses on occasions. I do not think that he has had the least ground for such insinuations.

Mr. CONROY.—Every ground.

Mr. HIGGINS.—I am very glad to hear there is a desire to make it clear that there must be an intention to produce damage to the public before this clause will operate.

Mr. ISAACS.—I said as much in my speech.

Mr. HIGGINS.—I did not understand that.

Mr. CONROY.—If the honorable and learned member will look at clause 10 he will see that the Attorney-General can prosecute just as he likes.

Mr. HIGGINS.—I think that I must not attend to the honorable and learned member's interjections if he will speak of other honorable members as he has done. There is another instance which I may mention. Suppose there is a cablegram association which obtains cablegrams from abroad, pooling the expense, and thereby getting more cablegrams for less money. Suppose that the members of such an association have an agreement that they will supply one another, and certain other newspapers, but that they will exclude the greater number of smaller newspapers, and that, in fact, they will not supply any one unless it is agreed by a certain majority of the members of the association that they shall do so. As that is a combination—as that is a “restraint of trade”—I want to know whether that is to be regarded as being “to the detriment of the public”?

Mr. HUTCHISON.—Does not the honorable and learned member think that it ought to be?

Mr. HIGGINS.—The honorable member must not ask me. Let us look at it from this point of view. Some may say that it is a good thing that there should be such an association, because thereby more telegrams are obtained for less money, and by such means more information is

cabled for the benefit of the people of Australia.

Mr. HUTCHISON.—Suppose that others who want the information are not able to get it?

Mr. HIGGINS.—On the other hand, it would be pointed out that it is not to the advantage of the people of Australia to have new enterprises stifled as they are by refusing them permission to share in these cablegrams. I have known cases where newspaper enterprises which have had good capital behind them have been refused permission to obtain these cablegrams, even on full payment, and those newspaper enterprises were consequently squelched and crushed. The question is: As this cablegram association extends beyond one State, and is clearly within the operation of clause 4 of this Bill, if the agreement be proved to be to the damage of the public, are we to accept the Bill as it stands, which will have the effect perhaps of putting in gaol the members of this newspaper combine? It may be right, or it may be wrong, but I want to know what the effect will be.

Mr. FOWLER.—The honorable and learned member tempts me to support the measure!

Mr. HIGGINS.—That may be; but I am sure that the honorable member for Perth wishes to be just as well as generous. All that I say is, that these clauses must be carefully looked at in several of their applications before they are adopted. We ought to adopt them with our eyes open. I am quite sure of this—that they will have an application which some of those who have been recklessly speaking about this Bill can hardly have dreamt of. It would be serious if a newspaper proprietor who is in the combination which I have mentioned, were liable to be hauled before a jury, and being found guilty of monopoly, or of being a party to monopoly, were thereby liable to imprisonment, and put at the mercy of a jury, who would probably be disposed to vote under social or economic prejudice.

Mr. ISAACS.—It would have to be proved that the newspaper proprietor “wilfully” acted in the way described.

Mr. HIGGINS.—I address these remarks to the present position of the Bill. I do not recognise in the Bill, as at present framed, that the act in question shall be wilfully or intentionally damaging to the public.

Mr. HUTCHISON.—Is it not the case that the Bill will not apply unless it can be proved that the members of the combine are doing the acts complained of “wilfully”?

Mr. HIGGINS.—I have already said that as the Bill stands at present my view is that there is no need to prove a wilful intention to damage the public, but I am assured by the Attorney-General that he will see to it that that is put right.

Mr. ISAACS.—I think the Bill does provide that at present, but should there be any doubt it is only a matter of wording.

Mr. HIGGINS.—I am very glad to have that from the Minister. I think that honorable members all round the House are honestly desirous to join in putting down monopoly, in so far as it is injurious. I am quite sure that we shall be very glad to adopt any proposal which will enable us to deal with the evil of monopoly. But the truth is that, while this detriment to the public is a good logical test, it is not a good practical test. The detriment of the public is a matter of such infinite difference of opinion that I do not think it is safe to hang a man's deprivation of liberty on so flexible an expression. There are some monopolies that work every ill, and are a danger to society. It is a danger to society that private persons, working for gain, should have such power over human beings as have the Standard Oil Trust, the beef trusts, or the steel trusts. But the worst culprits are never hit by the monopoly law. I have had a little experience, and read a little of the subject, and especially the book of the late Henry Demarest Lloyd. That author gives the result of examinations made by Commissions in the United States, and it appears that when there is a distinct combine, as they call it—a distinct trust, which shows a clear case—and the directors are haled before the Commission—there is found to be no agreement at all. The Commission are told by those charged, “Oh, we have nothing in writing, and nothing verbal.” These men deny point blank on oath that there is any agreement. The truth is that men who are trying to do a dirty thing to the public always do it by a wink of the eye, or in some similar way—a mere understanding is quite enough. There is no agreement, and there is nothing in writing—at least, nothing in writing can ever be found. The class of men, I find, who are most puzzled and most distressed by this monopoly legislation are men who want to

live honest, clean lives, and obey the law. In connexion with the Secret Commissions Act, I have found a number of people in great perplexity as to whether they are doing right or wrong. I have found that they are cruelly puzzled.

Mr. HENRY WILLIS.—Surely they know whether they are receiving two commissions?

Mr. HIGGINS.—These are not cases of receiving two commissions; that Act applies to much more. I find that when there is really a dirty thing being done, it is always done most secretly. Where there is a thing being done that is not dirty—an act which men are not afraid to avow—it is not done so secretly; still, there are people who are puzzled to know whether what they do is legal or illegal. Our life is complex enough, without making honest men apprehensive for their liberty, or uncertain as to what they should do. As I said before, I do not like to have a man's liberty depending on the whim or belief of a jury. We all have our prejudices; but when it comes to a matter of political, economical, or social opinion, I do not think that these prejudices should form the crux of the decision as to a man's liberty. It is more important, to my mind, not to degrade honest men than it is even to punish dishonest men. At this stage I suggest as, perhaps, worthy of the Minister's consideration, that, in order to prevent honorable men being embarrassed—men who have an agreement which they believe to be a good one and not damaging to the public—they should be allowed, under the Bill, to submit the agreement to the Minister, who, after getting the advice of such experts in the trade, and others as he thinks fit, should have power to give a certificate that the agreement is not, in his opinion, detrimental to the public.

Sir WILLIAM LYNE.—An agreement might not be detrimental to the public at present, but might become so afterwards.

Mr. HIGGINS.—I was going on to say that this certificate, so long as it stands, should exonerate a man acting under it.

Mr. HUTCHISON.—Would the honorable member give the Minister power to say what is a monopoly?

Mr. JOSEPH COOK.—Leave it to the Minister, of course.

Mr. HIGGINS.—The position is that the Minister is responsible for

the administration of this Act. I think I have the Minister with me when I say that it is not advisable to have men, who want to act honestly, under any uncertainty as to whether or not they are acting legally. All I suggest is that there should be some responsible authority—if honorable members can suggest any better authority than the Minister, I, of course, shall accept their suggestion—so that a man may feel that, so long as he possesses a certificate, he is free from any consequences.

Mr. ISAACS.—But if we provide that the combination must be wilfully detrimental to the public?

Mr. HIGGINS.—I do not think that such a provision would be sufficient. It is very hard for a jury to know on what lines to arrive at a conclusion that a man is wilfully damaging the public.

Mr. HUTCHISON.—Hear, hear; we found that in connexion with the Employers Liability Act.

Mr. HIGGINS.—That is so. I do not dogmatize about this matter, but I give the best suggestion that occurs to me, namely, that, first of all, it should be made perfectly clear that to be an offender and liable to imprisonment, a man must be acting wilfully to the damage of the public; and, secondly, that there might be some means by which a man, without going into Court, or waiting until he is haled there, may know whether he is acting according to the law.

Mr. CONROY.—Would the fact of a man not submitting an agreement to the Minister, not be taken as evidence that he is acting wrongly?

Mr. HIGGINS.—I do not think that that would be taken as conclusive evidence.

Sir WILLIAM LYNE.—I understand what the honorable member means, but would his suggestion not throw great responsibility upon the Minister?

Mr. HIGGINS.—I never knew the present Minister to refuse responsibility; he is strong enough to take anything on his shoulders, and I am sure he is sufficiently courageous. In this, as in hosts of other matters, the Minister has to take great responsibility; but he has at his beck the best expert advice. The Minister need not act in haste; and what a tremendous relief it would be to a man, who is in an arrangement, with the object of saving expense and so forth, to feel that, so long as he possessed a certificate, he was all right. Of

course, if the Minister afterwards found that an agreement was working to the hurt of the public, he could interfere and—

Mr. KINGSTON.—Withdraw his consent.

Mr. HIGGINS.—Withdraw his consent.

Of course, this is a matter which has to be thought out, and I would not ask the Minister to give a reply at once. I say that this Bill will not stop monopoly. You might as well, by putting a stone in the mountain torrent, try to stop that torrent—it will simply go round the stone. It is a mere deflection. There is a tendency to monopoly and concentration.

Mr. HUTCHISON.—Then this is sham legislation?

Mr. HIGGINS.—I did not use that expression, and I do not think the legislation is meant to be a sham. It is, no doubt, an honest attempt.

Mr. HUTCHISON.—It is merely a sham, according to the honorable and learned member.

Mr. HIGGINS.—I feel that it will be ineffective legislation as regards monopoly. In my opinion the anti-dumping provisions will not be ineffective if the administration of the Act is properly carried out.

Mr. ISAACS.—The criminal law does not stop crime.

Mr. HIGGINS.—It ought to; it is by punishing A that we stop B from committing crime.

Mr. ISAACS.—It is the same thing.

Mr. HIGGINS.—In the United States we find this tendency to concentration in connexion with railways, oil, steel, and the cotton trade. I find that there are two or three companies that supply all the cotton to Great Britain and the United States. We cannot by penalties stop a tendency that is fundamental to our civilization; the same forces that produce monopoly, produce cheapness, economy, and the rest. The whole of this anti-trust movement arises from the danger of leaving in the hands of private persons, working for gain, such tremendous powers over the livelihood of millions, as some monopolies give. This feeling of danger is at the root of the movement all over the civilized world at the present time—it may be right or it may be wrong—in favour of giving public control, by State or municipal action, over all matters that tend to monopoly. But looking back, I do not think we always realize how in the western States of America we have the best example of how things are going. Those

growing communities began with private roads, private bridges with tolls, private fire brigades, private transport of goods, private education, and private grave-yards. Now all these matters are publicly managed, and, further, we find that municipalities possess oil fields and produce oil, salt fields and produce salt, coal fields and produce coal; and they have legislation with regard to the extirpation of wild cats and grasshoppers' eggs, and also as to providing people with seed wheat, libraries, and hearses. It is remarkable that in the last fifty years there is not one case where an industry has got under public control in which it has been given back to private control.

Mr. JOSEPH COOK.—There are a great many cases in which public control has failed.

Mr. HIGGINS.—Not one tithe as many as those in which private control has failed. However, I do not intend to go into that large question, which, no doubt, opens out a tremendous vista of difficulty. I do not say that all public control would be a success. As to dumping, I have only a few words to say. The desire is to prevent the dumping of goods from abroad on Australian soil, with the intention of destroying any Australian industry. It will be observed that the object is not to prevent any effort to destroy a rival in an industry; the old principles of competition, good or bad, will remain. You may take such steps as you like to destroy or ruin your rival, but you must not destroy an industry in Australia. You may, for instance, have a device by which you can destroy the maker of a certain harvester, but you must not have a device by which you can destroy the whole industry in Australia. We should do the same thing if we were able to do it. At any rate, I have heard of men saying how they would like to dish the Danes in the English market, meaning that they would like to supplant the Danish butter by exported Australian butter. Therefore, we cannot claim to possess any particular virtue in this matter. But the destruction of an industry must not be by unfair competition. I do not suppose that it would be an offence to destroy an industry by giving better stuff, or cheaper stuff, on better methods. But there is the third condition that the industry must be worthy of Australian support. The essential principle, and the great difficulty, lies in the expression "unfair com-

petition." In America they might discover a substitute for butter which, though not derived from the cream of cows' milk, was, nevertheless, a wholesome food, and that substitute might be sent to Australia in such quantities and at such a price that its importation would be likely to destroy our butter industry. What chance would the defendant in such a case have before a jury composed of men coming from Werriwa, from Illawarra, or from Warrnambool, to decide as to the fairness of the competition? The term "unfair competition" is a very elastic one.

Mr. ISAACS.—A jury is not employed in an investigation relating to dumping.

Mr. HIGGINS.—I understand that the Minister is to call a Board together.

Sir WILLIAM LYNE.—It is proposed to substitute a Judge for the Board.

Mr. HIGGINS.—The important thing is that the Minister has to act in the first instance.

Sir WILLIAM LYNE.—Only to refer the matter to the Judge.

Mr. HIGGINS.—I think that these anti-dumping provisions are well worth a trial, especially as we are not likely to do anything drastic until we have patched up the flaws that we have. These regulative laws must be tried and tested, and it is only when they are found insufficient that the public will see that something more drastic is required. There are two kinds of dumping—dumping of surplus stock, trusting to the home market for a profit, or to prevent a bigger loss; and dumping for the express purpose of destroying an industry in the country to which the goods are exported, by undercutting until a monopoly is obtained which will permit of the raising of prices again. I hold that John Stuart Mill was on sound lines when he said, in regard to the temporary cheapness produced by dumping, that cheapness of goods is desirable only when it is produced without the lowering of the wages of those working at the industry. I ask the Attorney-General to consider a few alterations in Part III. of the measure, which, it seems to me, would make it more effective. In the first place, I think that paragraph *a* of sub-clause 1 of clause 14, which provides that competition shall be deemed to be unfair if—

Under ordinary circumstances of trade, it would probably lead to the Australian goods being either withdrawn from the market or sold at a loss,

would be improved if it were made to read—

Either no longer produced or withdrawn from the market.

I understand that the word "produced" is intended to include "manufactured." As the clause stands, there may be a doubt as to meaning of the words "withdrawn from the market."

Mr. ISAACS.—I think that it would be an improvement to insert the words "no longer produced."

Mr. HIGGINS.—I think, too, that the word "excessively" should be used in place of the word "disproportionately," in paragraph *f* of sub-clause 2 of clause 14.

Mr. ISAACS.—The idea was to express some relation between the remuneration to the agent and the ultimate price.

Mr. HIGGINS.—Clause 15, which is really the central pivotal clause, does not deal with such a case as that on which the Minister, no doubt, bases this part of the Bill; the case where the agent of a foreign manufacturing firm actually says that he will drive the Australian industry out of the market. I think that if a man, by his agent, or a firm or company by its agent, expresses the intention to drive an industry out of the market, that ought to be sufficient, without having to go to proof.

Mr. DUGALD THOMSON.—Would the honorable and learned member deal in that way with all firms, or with foreign firms only?

Mr. HIGGINS.—I am speaking only of the prevention of dumping. The dumping provisions of the Bill are applicable only to importations; and the Attorney-General rightly says that the provisions of the Bill will apply to Australians, as well as to foreigners, who are importers.

Mr. DUGALD THOMSON. — They are meant to be applicable only to importations.

Mr. HIGGINS.—I am very glad that no penalty has been provided for in this part. Dumping is to be prevented by the stoppage of importations.

Mr. ISAACS. — Without confiscation, though the Americans confiscate.

Mr. HIGGINS.—The alteration which I have to propose is the insertion in sub-clause 1 of clause 15 of the words "with the intention of destroying any Australian industry." Sub-clause 2 of clause 18 provides that the Governor-General may prohibit the importation of imported goods, either absolutely, or under such conditions and restrictions as he deems just. Does

the Minister think that the word "restrictions" as there used covers restrictions as to the maker? The most important matter of all is to be able to stop importation by a certain maker. If the restrictions could apply to the goods of a certain maker, the clause is all right as it stands.

Mr. HENRY WILLIS (Robertson) [4.11].—The honorable and learned member for Northern Melbourne has given us an analysis of the Bill that one might have expected to be delivered in Committee; but his speech was nevertheless very valuable, inasmuch as it showed that the Bill will, in all probability, prove to be sham legislation. That is how I interpreted his arguments. But, as the honorable and learned gentleman is now leaving the Chamber, I shall not refer to his remarks at greater length.

Mr. ISAACS.—The honorable and learned member said that he would vote for the Bill, so that he cannot think that it will prove to be sham legislation.

Mr. HENRY WILLIS.—Although he may vote for it, he does not think that it will accomplish all that it is desired to accomplish.

Sir WILLIAM LYNE.—The legislation of the United States does not accomplish all that it is desired to accomplish, but it is a great check.

Mr. HENRY WILLIS.—The honorable and learned member also proved that the Bill would do a great deal of harm, because innocent persons would be injured by prosecutions. He gave instances of the manner in which innocent men might be brought before the Court, and he is evidently of opinion that the measure has been imperfectly drafted. But whatever his views may be, we know that legislation of a similar character, though not so drastic, has been enacted in other parts of the world. As recently as Saturday last, it was recorded in the public journals that a number of persons representing trusts and combines had been brought before American Courts, and heavily fined, while others were sent to prison for a number of years.

Sir WILLIAM LYNE.—Does not the honorable member consider the American legislation fairly effective?

Mr. HENRY WILLIS.—The Minister assumes that I am opposed to anti-trust legislation. I say that the American legislation is effective; but this measure is still more drastic, because it goes further than the American Acts go. As the honorable

and learned member for Northern Melbourne has pointed out, innocent people will be brought within its provision, and branded as criminals, although they have no criminal intent, and may be men who, instead of wishing to injure the public, desire to benefit the public as well as themselves. Under the Bill, such persons may be prosecuted and severely fined, and, in some cases, sent to prison. The Minister did not take the advice offered to him during the second reading discussion of a similar Bill last session, when it was suggested that, during the recess he should redraft the measure, with a view to making it less drastic and more effective.

Sir WILLIAM LYNE.—I said at the time that if I did anything I should alter the Bill to make its provisions more drastic.

Mr. HENRY WILLIS.—The honorable gentleman has done so. He was advised to make the Bill less drastic and more effective; but his desire has been to make it more drastic, and, as the honorable and learned member for Northern Melbourne has shown, he has made it less effective. The Bill has been introduced with the idea of preventing the destruction of Australian industries, but, as the honorable and learned member for Northern Melbourne has pointed out, it is a very dangerous instrument. It would have been preferable for the Minister to wait until the report of the Tariff Commission was before us, so that we might have been fully informed as to the disabilities under which our manufacturers labour, and the hardships that are being inflicted upon consumers. Possibly, when that report is before us, we may find that we can achieve our object more effectively by removing Tariff anomalies, than by legislation such as that now proposed. It seems to me that the introduction of the Bill is premature. We cannot expect to make such a measure effective without having the fullest information before us. The Minister has not adduced sufficient reasons to justify the hurried passing of the Bill. He has shown that certain evils exist in the United States and Canada, but he has not been able to satisfy us that similar conditions are to be found here. Canada had copied the legislation of the United States, and New Zealand has, to some extent, followed suit; but we have not sufficient information before us to justify us in adopting the very drastic steps now proposed. Before the Bill was introduced, the Government should have fully assured them-

selves of the necessity for such a far-reaching measure. The conditions in America are very different from those which prevail here. The people of the United States are a self-contained community. As Mr. Chamberlain has pointed out in some of his addresses on Preferential Trade, the importations into the United States are infinitesimal as compared with the local production and the exports. The United States have developed their manufactures to such an extent under an almost prohibitive Tariff, that they are now able to produce practically all that they require. In such a country, there is a wider field for the operation of trusts, and such combinations are capable of more destructive work than would be possible in Australia. The introduction of legislation of this kind would probably have effects directly opposite to those which would be brought about in the United States. We cannot possibly produce all that we require, and through the operation of a measure of this kind, the cost of goods which have to be imported in order to meet the daily necessities of the people will probably be increased. I approve, with certain modifications, of the provisions contained in Parts II. and III. of the Bill, which are intended to repress monopolies, and prevent the dumping of goods upon our market, because I believe that legislation intended to operate in the directions indicated would prove beneficial to the consumers. Monopoly, whether of the sources of production or of distribution, is essentially pernicious and injurious to the community. According to the newspapers, the Beef Trust in America has recently been fined for having obtained certain concessions by way of rebates and preferential rates from the railway companies in that country. We know that preferential rates have been in existence upon some of our States railways. As these rates, however, were intended to benefit one State as against another, and to bring traffic to certain lines of railway, they were regarded as legitimate. In the United States, the railway rates are arranged in such a manner as to enable the trusts to sweep all competitors from their path. Then, when the trusts have established a monopoly, they raise the prices to the consumer. The Shipping Combine might operate to the detriment of the people here in much the same way. If the associated shipowners are adopting the practice of granting rebates to certain persons who give them the whole of their

patronage, and of withholding similar concessions from other persons who occasionally ship their goods by other steamers, some action should be taken to restrict their operations. Then, again, we are told that the tobacco combine is endeavouring to secure a monopoly. A number of persons with a large amount of capital may form a combination or trust capable of controlling the means of exchange, of crippling industry, strangling opposition, tyrannizing over the retail traders, and reducing the free people of a State to pay tribute to the millionaire class. It is common talk that the tobacco combine are tyrannizing over the small retailers. All the evils that are known to exist in America in connexion with the tobacco trade are now arising, although perhaps in a less objectionable form, in Australia. It is only a matter of time, however, when this combine will be as pernicious and destructive in Australia and as capable of monopolizing the whole trade, of raising prices, and of, at the same time, foisting on the public an inferior article, as it has proved in the United States. The reasons put forward by the Minister for the proposed legislation are not altogether clear and satisfactory. They must be viewed with a certain amount of suspicion, because the Bill is being hurried through the House before honorable members have had an opportunity of considering the conclusions of the Tariff Commission, which has sat for a very long time, and has incurred an expenditure of £10,000 in collecting much valuable evidence. The Commission have obtained very striking testimony from persons who went before them reluctant to give the fullest information. If we had their conclusions before us we should be in a much better position to frame an effective measure. The Minister of Trade and Customs is not to be absolved from blame, if his only reason for expending public time and treasure at this stage in connexion with this measure is derived from the experience of the United States. At present we have no such evils as are to be found there. With us, trusts are in their infancy, and we must be fortified with the fullest information before we can expect to deal effectively with such a complex subject. The Minister has made out a *prima facie* case against the American Tobacco Company of Australia, which has a capital of £3,700,000, and is seeking to monopolize the tobacco trade. As a representative of the people, I regard it as my duty to cut

the tentacles of this octopus, but, whilst I hold that we are here to deal with the abuses of trusts and combines, it does not, in my opinion, follow that we should nationalize an industry that can be successfully controlled under legislation such as has been passed in other parts of the world. When a country is invaded by an enemy, or if its agents or emissaries are within the gates insidiously mining and sapping, with a view to capturing the citadel—the markets which should be available to the honest manufacturer—the Parliament should immediately legislate as against a common enemy.

Mr. WEBSTER.—Who expresses that opinion?

Mr. HENRY WILLIS.—That is my deliberate opinion, after looking into this matter thoroughly. I have not arrived at my conclusion off-hand, but after having considered the whole subject as one who desires to legislate for the benefit of the country. The party, of which I am a member, has always brought forward legislation for the good of the people. The Minister of Trade and Customs laughs, but I would challenge him to mention any legislation of a democratic character that has not had the support of the majority of honorable members on this side of the House. If any concessions are granted, they should be granted to the masses of the community, whose interests require to be safeguarded more than do those of the sharp, unscrupulous business men, whose chief mission in life is to filch the earnings of the unprotected. May I go further, and affirm that if the oppressor is of our own citizenship he must be stripped of his disguise as the wolf of its sheep's clothing. In this connexion, I desire to refer particularly to the Colonial Sugar Refining Company.

Mr. WILKS.—That company has opposition to face now.

Mr. HENRY WILLIS.—I am very glad to hear it. No concern in our midst is a safe one—so far as the community generally are concerned—unless fair competition is assured. Human nature is the same in all of us. As soon as a man secures control of a market, he will fleece the public right and left. The Minister has intimated that he has asked for a report from the Colonial Sugar Refining Company as to the charges which they are levying upon the public for the sugar which they are distributing. I say that he should thoroughly satisfy

himself that the company are dealing fairly with the people. He should ascertain whether the greater portion of the large bonus which Australia is paying for the maintenance of the sugar industry—ostensibly for the preservation of a White Australia—is not finding its way into the coffers of that company, thus enabling it to make larger profits than would otherwise be the case. I should like to know whether the Minister has received such a report, and whether he is satisfied that the public are not being injured. The Australian shipping combine is also under suspicion, having been charged before the Shipping Commission, in Brisbane, with a clandestine attempt to interfere with freedom of commerce. That is a very serious charge. The evidence given before the Commission was to the effect that the shipping combine conferred certain privileges upon those persons who shipped their goods exclusively by its steamers. Individuals who occasionally shipped merchandise by their vessels were not granted the same concessions.

Mr. ROBINSON.—Every Government railway in Australia does the same thing.

Mr. HENRY WILLIS.—No. I have already stated that differential and preferential railway rates in Australia have been imposed for the purpose of protecting the capital which has been invested in lines that run a long distance from the seaboard towards a neighbouring State line that is nearer to the seaboard.

Sir WILLIAM LYNE.—Does not the shipping combine prevent a person who does not conform to its regulations from shipping goods by its steamers again?

Mr. HENRY WILLIS.—I believe so. Further, the combine ordered a line of steamers off the Australian coast, and the vessels had to be withdrawn. It is our duty, as legislators, to deal with that combine, and, upon this side of the Chamber, I have not heard a single voice raised against the enactment of legislation which will prevent the public from being robbed by such an organization. Then there is the tobacco combine.

Sir WILLIAM LYNE.—The tobacco combine in America is possessed of £37,000,000 or £38,000,000.

Mr. HENRY WILLIS.—The Minister is not referring to the Australian combine.

Sir WILLIAM LYNE.—I am speaking of the trust with which the Australian combine is associated.

Mr. HENRY WILLIS.—These three trusts would not suffer financial loss or be injured in any way—if their business methods were honest—by being subjected to the provisions of Part II. of the Bill. The speech of the honorable and learned member for Northern Melbourne only served to strengthen my conviction that these combines should be specified in the Bill, and that the Governor-General in Council should be empowered to specify by regulation any other combine which is carrying on business to the detriment of the public, with a view to bringing it under this portion of the measure. No injury whatever could befall these companies as the result of such legislation, but a large measure of protection would be conferred upon the public, and a great deal of scandal would be avoided. There are trusts whose businesses cannot be controlled as can those of the three combines which I have mentioned without injury to the consumers. There are other trusts which are capable of doing damage to our industries and our commercial interests if they are passed unnoticed. Included in the latter category are the Massey-Harris Company, the International Harvester Company, and, so far as a great deal of the trade of Australia is concerned, the steel trust. If the goods manufactured by the agricultural implement makers, and by the steel trust—which controls the output of steel rails and metals used in railway construction—were specified in a schedule published in the *Commonwealth Gazette*, as is provided for in the New Zealand Act, and if another schedule were gazetted showing the selling price of such goods in the country whence they were shipped, as compared with their selling price in Australia, much good would result. In New Zealand this experimental legislation will terminate within a month, but in my opinion we might permanently copy it here with advantage, it having been conclusively proved in that Colony that it is beneficial to the public interest. It would protect the consumer against the operations of the trust. It would also enable the manufacturer to utilize all the inventive genius of Australia in a particular machine. The ideas of Australians have already been copied in America, so far as harvesters are concerned. It might be possible to improve upon them locally to such an extent that ultimately we should command the whole trade of Australia, because we ought to be able to produce a machine quite equal to

the American article. I think that the local manufacturers of agricultural implements might, with advantage, be brought under this Bill. Railway requisites, steel rails, galvanized iron, and wire netting might also be subjected to restrictive legislation. Should such legislation not operate beneficially, it could easily be repealed. The manufactures I have mentioned might be dealt with separately, and not under indiscriminate dumping provisions. The Minister in his speech dealt very fairly with the provisions of the Canadian and New Zealand Acts. He clearly showed how they could be brought into operation, and how the public could be protected in a similar way to that in which they are protected in New Zealand. In my opinion, it would be a mistake to pass a comprehensive Bill which could be applied indiscriminately. In the hands of an extreme fiscalist it might be used for party purposes, even if it were not used—as it could be—dishonestly. Socially, I regard the Minister as a most excellent citizen, and as a party man he is a rabid protectionist. He is an excellent reader of human nature, and I fear that he might be tempted to administer this Bill in the interests of his party. Even against the promptings of his better self he would lean towards the interests of the manufacturer rather than towards those of the consumer, who should be his first consideration.

Sir WILLIAM LYNE.—I should lean towards the interests of the consumer rather than towards those of the importer.

Mr. HENRY WILLIS.—On the other hand, if the measure were being administered by a free-trader he would probably lean just as much in the other direction, and in that case a great deal of injury would be done to the manufacturer. It is not a good thing to place in the hands of a Minister an instrument which he can use for party purposes, against the best interests of the community, and against the general progress of the Commonwealth. The interjection of the Minister leads me to believe that he intends to amend the provision relating to the appointment of a Board of three persons to determine what is unfair competition, by substituting for that body a Justice of the High Court. Is that correct?

Sir WILLIAM LYNE.—Yes.

Mr. HENRY WILLIS.—I do not see how it would be possible for a lawyer to determine such a question satisfactorily.

If he possessed the same instincts as does the honorable and learned member for Northern Melbourne, I do not think he would be competent to satisfactorily solve a matter of that kind. But if the Minister appointed a high-principled commercial man, and placed him above party considerations, it would be possible to secure satisfaction.

Mr. WILKS.—What salary would he be worth?

Mr. HENRY WILLIS.—If we desired to secure a first-class man we should have to give him £2,000 a year.

Mr. WILKS.—Does the honorable member think that he would perform his work satisfactorily for that sum?

Mr. HENRY WILLIS. — I do. I desire to legislate against abuses. The honorable gentleman said that this was not a question of free-trade or protection, but of legislation for the benefit of the people. If it be the object of this legislation to protect the people against abuses brought about by the dishonest operations of trusts and combines, its consideration should not be affected by party views based upon a belief in either free-trade or protection. The American Steel Trust has already operated, and it is shown by our Customs returns that we import from abroad steel and iron articles of all kinds to the value of £7,000,000. These imports are to be dealt with under the dumping provisions of this Bill. They comprise electrical appliances, anchors, arms for army and navy, revolvers and pistols, rifles, bicycles, cutlery, chains, bar, rod, angle, and tee iron and steel, galvanized plate and sheet, girders, beams, hoop iron, ingots, pig and scrap iron, rails and railway material, wire rope, sewing machines, and all other kinds of machines, axles and springs, bolts and nuts, mixed metalware, horse-shoe and other nails, manufactures of metals, pipes, and tubes, plated-ware and plated cutlery, tanks, iron and steel wire, barbed wire, wire netting, tin plates, machine tools, and tools of trade. It seems to me that if any attempt is made to prevent the importation of these articles which, for many years to come, cannot possibly be manufactured here, the effect must be to raise their price to the consumer. At the present time the farmer pays highly for everything he uses, but the Minister of Trade and Customs now proposes to add from 10 to 50 per cent. to the cost of all these articles, which are

required by the primary producers of the country. He is going to make a special effort, on behalf of Australian manufacturers, to have these goods produced in Australia, although we know that they cannot for many years be manufactured here.

Sir WILLIAM LYNE.—I said that I would get as many as possible of them manufactured here.

Mr. HENRY WILLIS.—The honorable gentleman has given us another list of articles, many of which are required by the primary producers, comprising wire nails, galvanized wire ropes, table knives, farm waggons, sewing machines, steel rails, lead, shovels, wash-boards, tin plates, typewriters, and lawn mowers. He gave the American prices of these goods, and the lower prices at which they are sold in foreign lands, specially mentioning Australia.

Sir WILLIAM LYNE.—Is not that dumping?

Mr. HENRY WILLIS.—The honorable gentleman assumes that that is the result of dumping, but, as a matter of fact, it is the result of a prohibitive Tariff. In the country in which these articles are made there are very high protective duties imposed, under which manufacturers are able to get very high prices for their wares in their own country, and are thus enabled to sell their surplus manufactures abroad at lower prices than those prevailing in their home market. They sell their goods abroad at prices which they would be willing to accept in their home market but for the opportunities afforded them to rob the people under a high protective Tariff.

Sir WILLIAM LYNE.—The honorable member is going to make a Tariff question of it.

Mr. HENRY WILLIS.—I am not, but I have the Minister's figures before me. The list supplied by the honorable gentleman is an example of what happens under high protective duties, and the Minister now proposes to raise the prices of these articles to the primary producers of Australia.

Sir WILLIAM LYNE.—I did not say anything of the kind; that is a misinterpretation of my words.

Mr. HENRY WILLIS.—I do not wish to quote long passages from the honorable gentleman's speech, but he submitted a list, which I have in my hand, of articles to which I have referred as

being sold in America at one price, and in foreign lands at a lower price. We have always contended that that is the effect of a protective Tariff. If you can rob people by taking from them more than you are justly entitled to demand for your wares, you are thus enabled to take your surplus manufactures and dump them, if honorable members please, in a foreign country for sale at cost price, and yet secure sufficient profit on capital invested to amass a large fortune as the result of opportunities afforded by high protective Tariffs. If the Minister desires to bring the importation of these goods under the dumping provisions of this Bill, he desires to raise their price to the primary producer.

Sir WILLIAM LYNE.—No.

Mr. HENRY WILLIS. — I have read the list, and honorable members know that it comprises articles required by the primary producer. The Minister desires that imports of these goods shall pay duty to the extent of 50 per cent. more than they are now paying, because that will be the effect of bringing them under the dumping provisions of this Bill. These matters can be very much better dealt with in a Tariff Bill than in an anti-dumping measure. It is not fair to the House and the country that in his position as Minister of Trade and Customs, the honorable gentleman should attempt to bring all these wares required by the primary producer under the provisions of this Bill, when he knows that they can be more effectively and appropriately dealt with in a Tariff Bill. What is more, the honorable gentleman says that under the provisions of the Commonwealth Customs Act, and the Tariff Act, he has power to deal with every one of these articles at the present time. The honorable gentleman has taken legal advice upon that matter, but his reason for not acting as the Minister of Trade and Customs, is that he wishes the House to give him encouragement, and to confirm the suggestion he has made in order that he may to-morrow, if he pleases, operate in the direction here indicated, and add to the burden of every farmer and producer in the Commonwealth, by from 15 to 50 per cent. on the present selling price of the articles he uses.

Sir WILLIAM LYNE.—That is very unfair.

Mr. HENRY WILLIS.—I think honorable members will agree that I am dealing fairly with this Bill. Part II. of the measure can be used to deal with the Sugar

Trust, the Tobacco Trust, and the Shipping Trust. I am prepared to operate against those trusts, against which I say the Minister has made out a *prima facie* case. Under Part III. of the Bill, I should be prepared to deal with the Steel Trust, and other trusts mentioned, such as the Massey-Harris and International Harvester Trust.

Sir WILLIAM LYNE. — No dreadful calamity happened when I dealt with the Massey-Harris harvester.

Mr. HENRY WILLIS.—It appeared that there was collusion in our midst in that particular line of business.

Sir WILLIAM LYNE.—I was going to ruin the farmer then, according to some honorable members.

Mr. HENRY WILLIS.—If the Minister did good on that occasion, I am glad to know it. I am not speaking as one having a grievance against the Minister of Trade and Customs, but as an unbiased citizen, and Member of Parliament. I say that it is a most unwarrantable act on the part of the Minister to propose to bring the long list of articles to which I have referred, and which, even with the progress we are making, we cannot hope to manufacture in Australia for another thirty or forty years, under the dumping provisions of this measure, so as to raise their price to the primary producer.

Sir WILLIAM LYNE.—It will not raise the price.

Mr. HENRY WILLIS.—The honorable gentleman has stated that these articles are sold at a certain price in the country in which they are manufactured, and in Australia at a lesser price.

Sir WILLIAM LYNE.—If they were manufactured here the prices would be lower than they are.

Mr. HENRY WILLIS. — If I had known that the Minister would try to repudiate his own figures, I should have worked out the prices he gave in English money, because it is not satisfactory to speak in dollars to the electors of Australia. We must consider some articles which are not included in the list presented by the Minister. Let us take kerosene oil, for instance. The honorable gentleman says that there is a company prepared to spend something like £80,000 in the construction of a railway to certain shale mines.

Sir WILLIAM LYNE.—They are at it now.

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Mr. HENRY WILLIS.—And that they have a capital of £60,000 or £70,000.

Sir WILLIAM LYNE.—From £600,000 to £700,000.

Mr. HENRY WILLIS.—I suppose that honorable members are aware that to produce oil from shale the shale requires to be baked, and the crude oil obtained from the shale kilns cannot be compared with the well oil which we get from America. The Minister's proposal in this connexion is to make kerosene oil expensive, to tax the consumer and the poor man again—not the poor man who lives in large centres, but the poor man in the country.

Mr. ROBINSON.—To tax the farmer's illuminant.

Mr. HENRY WILLIS.—Yes, the farmer is to be taxed again. The Minister proposes to protect the product of the kerosene shale industry against the well oil of America.

Sir WILLIAM LYNE.—That is a deliberate misstatement. When did I say I was going to protect the shale industry?

Mr. HENRY WILLIS.—How is the Minister to protect the industry unless he keeps the American well oil out? If the American oil is allowed to come in, then the honorable gentleman's friends will be madmen if they try to compete with it with oil derived from kerosene shale.

Sir WILLIAM LYNE.—They are not my friends.

Mr. HENRY WILLIS.—We know very well that these men have not put £600,000 or £700,000 into a venture of this kind, nor would they put down £80,000 for the construction of a railway line, which can be used for no other purpose than the transport of oil or of shale for use in gas-making, without some shrewd idea that they will be given protection which will enable them to keep their industry going. It would therefore appear that the Minister is desirous of putting up the price of well oil, under the operation of Part III. of this Bill, to that ruling in Australia for shale oil. If I am making an inaccurate statement, it will do me no good.

Sir WILLIAM LYNE.—The honorable member is making a misstatement—an absolute misstatement!

Mr. HENRY WILLIS.—The pick and shovel have to be used in taking out the shale in the mine, just as coal is taken out. Then it has to be trucked, put into kilns, and baked so that the oil may be extracted from it. Does the Minister mean

to say that oil so produced can be sold at the same price as oil which is obtained as easily as water can be taken out of the sea? That is the case in America, whence we get our kerosene. Yet the Minister proposes to protect this shale industry.

Sir WILLIAM LYNE.—I never said anything of the kind.

Mr. HENRY WILLIS.—The Minister intends to attack the Oil Trust of America. He went into details, and told us what his friends had told him. He is not an innocent. He knows what these men have in their minds, and they know that the Minister wishes to see their industry established, and that he will go to the length he has stated in his speech of preventing the importation of the oil sold by the American Oil Trust.

Sir WILLIAM LYNE.—I did not say so.

Mr. HENRY WILLIS.—He intends to stop the dumping of kerosene oil on Australia.

Sir WILLIAM LYNE.—The honorable member has a very imaginative brain.

Mr. HENRY WILLIS.—I am quoting from the Minister's own speech. Is he going to exempt this Oil Trust? The Minister himself said that he was astounded in looking into the matters placed before him by his officers. But in America they talk of millions as if they were merely blackberries. But if the trust is not to operate here the price of oil will be put up by the producers of the local oil. The Minister will come to Parliament, give the figures at which the oil is sold in America, and will then say, "Here is an industry whose operations throw our men out of employment. It is conducted by workmen who are employed for longer hours per day, and at lower pay than are the men engaged in a similar industry in this country. Unless we keep out this imported oil our own works must be closed up." He will say, under the provisions of this Bill, "This imported oil must be kept out." But away out in the back blocks the primary producers take the crude oil to use in their oil engines. It can be taken cheaply into the back country, whereas coal cannot possibly be taken up, because of the expense. The Minister will not allow this crude oil to come in. When the Tariff was before Parliament I dealt with this particular subject, and I remember the right honorable member for Balaclava, who was then Treasurer, saying, "We must give Dave Watkins something to protect the coal industry."

A high duty was placed on crude oil, because it is used as fuel in the oil engines, and in producing steam power. There is another industry which the Minister will injure by prohibiting the importation of oil. Motors are coming into use in Australia. In Sydney one may see hundreds of motors at work on the harbor. If this dumping provision is enforced, and the oil which they use is made too expensive, they must go out of use. The cost of imported oil will be too great; and it will cost too much to produce naphtha or benzine in Australia, although it is quite possible to produce it. The Minister, to encourage the industry of his friends who are investing £600,000 or £700,000, will keep out all the refined oils which are supplied by the Oil Trust of America. Various kinds of engines can be, and are manufactured well in Australia. They are manufactured as well as they are, because of competition from abroad. The Minister is going to prevent improvements in the manufacture of our engines and boilers, because under these dumping provisions he will prohibit the importation of Tangye engines, or of the magnificent American engines, which conduce to the improvement of Australian manufactures. It will be said that these imported engines are dumped into Australia, and that therefore they must be excluded in the interests of Australian industry. Then, again, we import leather. We get Krons leather from America, and other excellent leathers from England and Europe. We must import heavy sole leather; sufficient for our requirements cannot be produced within the Commonwealth. It is impossible to continue our boot and shoe-making industry successfully unless we import the superior kinds of leather. First-class sole leathers must be made from hides that are stout in the shoulder, as well as in the butt. Not one in fifty Australian hides has the quality necessary to make first class sole leather. New Zealand and other cold countries, however, produce thick hides which make excellent sole leather.

Mr. PAGE.—Home buyers are very anxious to obtain Queensland hides.

Mr. HENRY WILLIS.—Queensland hides are the worse in the world for thinness. They fall away in the shoulder. They are, however, suitable for light sole leather.

Mr. PAGE.—They bring the best prices.

Mr. HENRY WILLIS.—The butt is stout, but the shoulder is thin, and it is not suitable for heavy sole leather. I repeat that it is impossible to produce in this country the highest class of boots and shoes to the extent of our requirements, unless our manufacturers import superior sole leather for the purpose. The Minister by his policy would encourage the putting of inferior leather into what ought to be first class boots, and our manufacturers would turn out boots with first-class upper leathers and inferior soles.

Sir WILLIAM LYNE.—The honorable member would like us to wear buffalo hide.

Mr. HENRY WILLIS.—Evidently the Minister knows nothing about buffalo hide. If he did, he would be aware that it is spongy and unsuitable for the best class of boots.

Sir WILLIAM LYNE.—The honorable member says that Queensland hides are of no use, although as a matter of fact they are the best in Australia.

Mr. HENRY WILLIS.—I know something about this subject. I have shipped thousands and thousands of pounds worth of these goods. I tell the Minister that he will injure the boot and shoe industry of Australia if he shuts out imported leathers. We produce here upper leather that is very good as far as it goes, but we need also to import the best upper leathers. This Bill would lead to the use of shoddy leather, and would promote the utilization for splits, tweeds, and other kinds of upper leather with destroyed fibre. It would lead to the use of such leather, and would keep out French, German, and English calf, English sole leather, and American Krons. I appeal to the Minister to allow these dumping clauses to be struck out, and not to permit the Bill to operate except in regard to the trusts which I have mentioned, and which might be enumerated in a list proclaimed by the Governor-General in Council. Any trust that became a menace to the public, and to the best interest of the community, might be placed upon that list. By such means we might accomplish something useful; but, as the Bill is now framed, it would simply lead to extorting from the public, through the manufacturers, higher prices for inferior articles. I hope the Minister will think the matter over.

Sir WILLIAM LYNE.—The honorable member has uttered so many stories about

my speech that I could not think of doing what he wants.

Mr. HENRY WILLIS.—It does not matter to me personally. I have accurately quoted from the Minister's speech, which is in my hand. I am speaking on behalf of a very large constituency.

Sir WILLIAM LYNE.—I have a bigger one than the honorable member has.

Mr. HENRY WILLIS.—I am speaking on behalf of the people of this country. If the Minister will do justice to himself, he will act in the interests of the people; but he is not doing so by insisting upon every letter of this Bill, and bringing so many industries under the operation of the third part of it. Clearing sales held by storekeepers, when they wish to raise the wind to meet their monthly bills, or to make their quarterly payments to their financiers, will not be permitted, if this Bill is carried out in its entirety. These tradesmen, having, perhaps, made a big profit on their early sales, are able to share with the public the ordinary profit on the balance of the stock. They sell out at what they call a sacrifice, and I believe that such is often the case. The sales are for the benefit of the masses of the people, and they tend to the stability of the credit of our tradesmen abroad. But, if this Bill passes, a shopkeeper will not be at liberty to have his auction sale, or to dispose of his softgoods at a sacrifice at the end of the season. Consequently, the mother with a large family will not be able to get good clothes and shoes for her children at a low figure, as she has hitherto done.

Sir WILLIAM LYNE.—We shall not have any more paper shoes.

Mr. HENRY WILLIS.—In Australia we produce some of the very best boots and shoes, but not in great quantities. The very finest leather in the world is to be made of the wallaby skin of Tasmania and Kangaroo Island, and from New Zealand hides.

Mr. PAGE.—Just now, the honorable member said that Australian leathers were of no use.

Mr. HENRY WILLIS.—What I said was that we must go to cold countries if we want the best hides for producing sole leather; and Queensland is not a cold country. The very best of boots and shoes can be made in Australia, and some of the very worst are made here. They will, I suppose, continue to be made. What is done with the shavings and the splits from our currying

factories? They are all made up and sold in our midst. If there were more competition from abroad the shavings from the currying shops would not be pressed into sole leather and made into boots and shoes. Under the provisions of this Bill a premium will be given to the dishonest manufacturer, who, in the sight of the Minister of Trade and Customs, will be regarded as a public benefactor.

Mr. ROBINSON (Wannon) [5.15].—I had not the advantage of listening to the speech of the Minister of Trade and Customs when he introduced this Bill, but I have read and re-read the speech, and do not think that I have overlooked many of his points. The question of trusts has evoked an enormous amount of literature in the United States, and, like the honorable member for Mernda, I have spent part of the recess, at any rate, in studying that literature. Two books have been specially referred to in the course of the debate, one entitled *Wealth versus Commonwealth*, by Henry Demarest Lloyd; and the other the *History of the Standard Oil Trust*, by Miss Tarbell, the latter of which was quoted very largely by the honorable member for Mernda. These books and other literature on the subject show very clearly what is the main cause of the growth of trusts in America—what has been the factor above all others which has made trusts the powerful bodies they are in that country. I do not think the statement can be gainsaid that the private ownership of the means of transport is the main cause. Every writer who deals with the question lays stress on that aspect, and many means have been urged for properly dealing with the problem. Some of the writers who have given great attention to this question advocate the immediate Government ownership of the railways in America. Of course, that would be such a stupendous undertaking, involving hundreds, and possibly of thousands, of millions of money, for the purchase of the railways, that there are many sober-minded individuals who fear that such an operation cannot be successfully carried out. Accordingly, other writers have advocated such regulation of privately-owned railways as will secure to the public freedom from oppressive and monopolistic acts on the part of those who have control of these means of transport. I propose to read a few extracts from various writers on the problem, in order to show what means have been advocated in

America for dealing with trusts. It is in America that the problem is more living and real than in any other part of the world. In the United States there are more trusts than elsewhere, and it is there that we can trace their operations far more effectively than we can in any other country; and, therefore, writers on the spot, who have studied the question, can, if they are sincere, aid us very materially in discussing the measure before us. I have here a book by Professor J. W. Jenks, of Cornell University, and it is an edition published as lately as 1905. Professor Jenks was secretary of an industrial commission of the United States Congress, appointed to investigate the matter of trusts, and he obtained a vast amount of information, which, after he had ceased to act as secretary, he embodied in one or two books. The book I have here is his latest, and it contains his opinions on the best way of dealing with trusts. It will be found, when we examine the various remedies proposed by all writers on trusts, that we arrive at a position at which we can eliminate a number of their proposals as not being germane to a discussion in Australia, and consider other proposals which should be a guide to us in framing legislation of this kind. Professor Jenks advocates a few remedies by legislation, and, first and foremost, like every other writer on the subject, he points out the necessity for the prevention of discrimination in railway freights. There can be no doubt that discrimination, secret rebates, and so forth, have been the great cause of building up certain manufacturers or traders at the expense of their rivals; and every writer on the subject starts off with the declaration that discrimination in railway freights must be prevented. Then we find, on reference to Professor Jenks and other writers, that the American patent laws, which have been held up to us as so much superior to the English and Australian patent laws, are regarded with a certain amount of suspicion. It is felt that these laws safeguard the patentee a little too much, while not giving adequate consideration to the interests of the public; and it is thought that the amendment of those laws on the lines observed in England, and, possibly, Germany, would be advantageous to the people of the United States, and have some effect in checking monopolies. Mr. Jenks also points out that in some cases the Tariff has been a

means of creating trusts. I should like here to say that Professor Jenks is by no means a fanatical free-trader. He does not advocate the wholesale revision of the Tariff, nor a wholesale abolition of the duties. He says—

It is in all probability true that by such removal of the tariff the evil effects of the higher price would, for the time being at any rate, be materially lessened, and the suggestion of this remedy is certainly good, provided the remedy were applied with reasonable discretion and a reasonable judgment regarding present industrial conditions.

That is what Professor Jenks confined himself to in regard to the Tariff. If it be found that the Tariff does, in certain instances create monopoly, it should, according to him, be modified, reduced, or dealt with in some way so as to protect the consumer. Next Professor Jenks refers to such amendments and alterations of the law relating to corporations, or, as we call them, companies, as will make directors and promoters responsible for statements made in prospectuses, and for the proper carrying out of a company's operations. On reading books on trusts in America, one is absolutely amazed at the lax state of the company legislation there. 'Contrary to all Australian and English ideas, we find practices going on in regard to the formation and operations of companies which stagger us. In America an efficient Companies Act does not seem to obtain, and most, if not all, writers on trusts, urge that an Act, such as would fix responsibility on promoters and directors, is urgently needed. As to that branch of the subject, Professor Jenks advocates that companies should be required to furnish further particulars, much as is done in Australia and the United Kingdom, to the Registrar-General, those particulars to be open to inspection by the public on payment of a small fee. He further points out that the public right, or governmental right, of taxing people and corporations is one which could be advantageously exercised in some cases in the settlement of this question, and which, if discreetly used, would probably have a checking effect on the operations of trusts. In a supplementary chapter, Professor Jenks discusses with great caution the effect of anti-trust legislation in America. We have had a lengthy and able speech from the Attorney-General dealing with that point, and the operation of the Act known as Sherman's Act; and I think that our Bill does not go as far as that Act. In some

respects I think our Bill is a distinct improvement. I would like to express that opinion to the credit of the Attorney-General. It is pointed out by Professor Jenks that under the Sherman Act it has been decided that combinations in restraint of Inter-State commerce, whether reasonable or unreasonable, are illegal and punishable. Under the Bill before us, a combination in restraint of trade is not illegal and punishable unless it be to the detriment of the public; and I venture to say that the introduction of the words "to the detriment of the public" is a safeguard which it would be well to have embodied in the Sherman Act.

Mr. CONROY.—Who is to judge whether a combination is to the detriment of the public?

Mr. ROBINSON.—That is a somewhat difficult question, but one, I take it, which may be decided on the merits of each particular case. As cases have to go before a jury, and we are told the Minister is determined to have as high-class a jury as possible, I think we can say that the introduction of these words is a safeguard which those engaged in business likely to come within the operation of the Bill should not oppose, but should rather welcome. Professor Jenks makes a point—a point which has been referred to by other speakers—that discriminations by trusts should be abolished. That is to say, a trust must sell to all purchasers at the same rate; a trust must not sell in some localities at a specially low rate for the purpose of killing competition, or sell to some favoured individual at a specially low rate for the purpose of killing out other individuals who may handle goods not made by the trust. To bring about such a state of affairs as Professor Jenks advocates is extremely difficult. Though I believe this last proposition is one which, if properly carried out, would be of great advantage, yet I have not seen any way in which the prohibition of discrimination could be effectively brought about without at the same time creating a great many worse evils. Another well-known work on trusts in America, which is, perhaps, the most popular, judging by its circulation, is by Mr. William Miller Collier, some time a New York State Civil Service Commissioner, and also a lawyer, seeing that he is the author of *Collier on Bankruptcy*. Mr. Collier is a well-known member of the Republican Party in New York, and a staunch protectionist. The book he has written is a very able one,

and in it he points out that there are many reasons for trusts—that the operations of trusts have on many occasions enabled America to produce very cheaply, increase production and employment to the people, and to compete in foreign markets. Mr. Collier admits, however, that the monopolies the trusts have secured in many places are of a very dangerous character, and he suggests a number of methods of dealing with them. In the first place, he, like Professor Jenks and other writers, declares that railway freight discrimination must be stopped. He is at one with all other writers on the question, in declaring that the first and foremost evil is improper, illegal, and dishonest discrimination in railway freights, and that the first remedy is the abolition or prevention of such discrimination. Though, as I say, a strong protectionist and a leading member of the Republican Party, Mr. Collier is of opinion that in certain limited cases the Tariff might be dealt with. On page 305 of his book he says:—

Abolish all special privileges; prohibit and absolutely prevent railroad discriminations; lower the tariff—not whenever we can obtain our goods from abroad at a lower rate, but whenever the prices exacted by any trust or any corporation or any individual are in excess of a fair profit, after paying American wages. The establishment of an export trade in any article should be treated as presumptive evidence of the lack of need of a tariff, and the tariff upon such article should be continued only when it has been clearly shown that sales abroad are the result of exceptional circumstances.

In that connexion, I may say that the Customs law of Canada has a provision for allowing the Tariff to be reduced when it is shown that goods for export are sold by Canadian manufacturers at a lower price than goods for home consumption. Mr. Collier also advocates that the patent law should be modified whenever necessary, because he fears that the patent laws of America go too far in the direction of studying the interests of the patentees, and not far enough in the direction of studying the interests of the public. He is in favour of company reform, and of compelling corporations to pay their fair share of taxation. But, having carried all these reforms, and, so to speak, cleared the ring, he says that there must be a fair fight. As the conditions with which he deals so largely do not exist in Australia, we are interested chiefly in what he has to say about the necessity for allowing a fair fight when the ring is bred. We must deal very stringently

Mr. Robinson.

with attempts to cut prices in particular localities. No doubt, in the United States of America, prices have been cut in particular localities to crush competition, and Mr. Collier thinks that that practice ought to be made punishable by law. It is felt by this very able writer, and member of the Protectionist Party in the United States, that by dealing with the problem on these lines, trusts will be kept within proper bounds, and the interests of the public will be duly safeguarded. Another writer on trusts is Professor Ely, a gentleman of world-wide reputation, and one of the newer school of political economists, who advocates Government or municipal ownership of public utilities, and Government or municipal control of all undertakings which are necessarily monopolies, and in which competition is not practicable or possible. He is of opinion that the taxation of trusts is one way to deal with the problem, but that it is a method which must be handled very cautiously, because, very frequently, monopolies are created by improper Government taxation. If the condition of entering into a trade or undertaking of any kind is that, to meet the Government taxation, a very large amount of capital will be necessary, competitors may be driven out of the field for want of the requisite money. Hence the remedy of taxation should be applied very cautiously, and care should be taken to see that the taxation applied is not likely to produce monopoly. Under the Victorian insurance legislation, before a new insurance company can commence operations, it must invest £5,000 in Government stock, to be held in the name of the Treasurer for the time being, so that new companies practically find it impossible to start in the same way as the Australian Mutual Provident Society, the National Mutual Life Assurance Society, and others of the present companies commenced. That legislation, therefore, though intended only to safeguard the public interests, has had the probably unforeseen effect of limiting competition. Professor Ely is of opinion that natural monopolies and public utilities should be regulated or controlled by the Government, or by municipal bodies, in regard to such things as hours of labour, rates of pay, fares, freights, and so forth, or should be wholly undertaken by municipalities or the Government. He thinks, however, that in America, the difficulty of securing a satisfactory Government control

would be so great that, in the first instance, Government regulation and ownership would be more satisfactory. He points out that, by the proper application of the power of taxation, as by probate duties, the accumulation of huge fortunes can be substantially checked. In the United Kingdom, when rich estates are left to strangers in blood, the duties range up to as much as 18 per cent., which is a much higher rate than we have in Australia. This taxation has a very distinct and marked effect in reducing accumulations. Professor Elv points out that there are cases in which, where the Tariff is a distinct and unmistakable cause of the existence of a monopoly, it might be dealt with. He says—

To confine ourselves to a single illustration, the reader may be reminded that, according to the statement of the President, the sugar trust has been aided by the tariff.

He would deal with trusts by reducing the duty on an article when that duty was found to be one of the prime causes of the trust. He also advocates the reform of the patent and company laws; but the discussion of his proposals in that direction is not very germane to the subject at hand, because the Victorian company law is, if anything, a little too drastic. It certainly does not err on the side of leniency. Our patent laws, too, are fairly adequate for the protection of the public. The first to write about trusts in a non-controversial manner was a German, Ernst von Halle, who went from Germany to America to make some investigations there. He gives many examples of what the trusts have done, and of the agreements which they have made in restraint of trade; but he does not deal with the subject in a partisan spirit, and does not advocate many reforms. He confines himself to two propositions. He says, first, that there should be a uniform company law throughout the United States of America, so that all corporations and companies might be placed on the same footing, and, secondly, that the whole of the anti-trust legislation there should be repealed. That is rather a commentary upon the legislation we are now considering, as well as upon the American legislation. His tendencies are of a democratic, and, possibly, of a collectivist character, but he thinks that the anti-trust legislation of the United States, instead of helping the public to deal with the trusts, has aided the trusts. I do not think that the American legislation is likely to be repealed. It is more likely to be strengthened,

because the evils of trusts are apparent, and, undoubtedly, steps must be taken there to deal with them. One of the latest writers on trusts is Professor John Bates Clark, of Columbia University, who last year wrote a little book on curbing the power of monopoly by natural methods. He writes, first, of what not to do, and, secondly, of what to do, and the honorable member for Melbourne Ports, if he were here, would be glad to know that he says that one of the things that we should not do is to make a sweeping abolition of all protective duties; but he follows the example of most of the writers on the subject, who urge that, when it is shown that the Tariff is the cause of a monopoly, it should be altered.

MR. WILKS.—Does a Tariff ever cause a monopoly?

MR. ROBINSON.—In some cases duties have been the causes of monopolies. It is a pity that the Bill does not contain a clause similar to the provision of the Canadian Act, which enacts, that, when a company or firm sells its goods beyond the borders of the country from which it exports at a lower price than that at which it sells within that country, the Tariff protecting its operations should be reduced or modified in some way. That provision attempts to deal with the injustice pointed out by the honorable member for Grey, and I hope that he will draft an amendment on similar lines.

MR. JOHNSON.—If he drafts such a clause we will support him.

MR. ROBINSON.—Mr. Clark is of the opinion that some of the remedies which have been suggested are reactionary and unnecessary, as, for instance, proposals to limit the size of companies, to systematically break up large companies, to regulate prices by law, and to tax profits out of existence. He concludes by beseeching his readers not to accept Socialism as the true remedy for trusts, because what is needed is rather the creation than the abolition of competition. His book, so far as it goes, is an excellent one; but he does not pretend to give the results of an exhaustive inquiry into the subject. Professor Clark, like others, advocates the protection of investors by effective company legislation. He also says that it is necessary to keep the independent competitor in the field. That is his method of dealing with the trusts. He says that the trusts should not be allowed to club their

competitors out of existence, but that competition should be maintained, and everything should be done to prevent trusts, corporations, or individuals from securing a monopoly of trade in any particular spot or throughout the country. In order to keep the independent competitor in the field, it is necessary to secure for him fair treatment by the railways, and to prevent him from being placed at a disadvantage by secret arrangements between the trusts and the railway companies. He points out that there are three ways in which a trust may seek to crush out an efficient competitor. He says—

It may make use of the factors' agreement by which it gives a special rebate to those merchants who handle only its own goods. It may resort, secondly, to the local cutting of prices whereby the trust enters its rivals' special territory, and sells goods there below the cost of producing them, while sustaining itself by means of higher prices charged in other portions of its field. Again, the trust may depend on the cutting of the price of some one variety of goods which a rival producer makes, in order to ruin him, while it sustains itself by means of the high prices which it gets for goods of other kinds.

Professor Clark urges that these three methods should be made illegal. At page 76 of the work from which I have been quoting, he says—

Then factors' agreement, the local cutting of prices, and the predatory breaking of a scale of prices must be forbidden, and there must be a real force behind the prohibition.

Then he discusses the difficulties of enforcing such legislation. Whilst I agree with Professor Clark that it is advisable, as far as possible, to enforce legislation of that kind, I see the greatest difficulties in the way. Take the case of tied houses in the brewing trade, mentioned by the honorable and learned member for Northern Melbourne. The tied houses are worked in such a way that we are powerless to apply a remedy. If the hotelkeeper complies with a certain number of conditions, including those relating to the purchase of beer, he receives certain advantages, and if he does not adhere to these terms he is denied the benefits of the arrangement. The tied-house system can thus be worked in such a way that all legislation intended to crush it out is rendered powerless. Merchants, traders, and manufacturers will try to push their business in certain ways, and if we prevent a manufacturer from giving special favour to those who handle his goods only, he will establish retail shops,

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and the independent trader on his own account will be driven out of the field. His business will be destroyed by a man who is practically an employé of the manufacturer. Hence it appears to me that the remedies suggested for keeping the independent competitor in the field, whilst, no doubt, very good in theory, are unworkable. Now I should like to summarize the methods which these five writers advocate. In the first place, they say that railway discrimination should be prevented. That suggestion is not applicable to our conditions, because the railways are in the hands of the States Governments. At the same time, a most grievous system of discrimination is carried out in Victoria. The Railways Commissioners discriminate to the disadvantage of Portland, Port Fairy, and Warrnambool, and also against Bairnsdale and Sale, in the most grievous manner, and do their best to prevent trade from flowing in its natural channels.

Mr. KELLY.—The Minister says that this measure will not apply to such cases.

Mr. ROBINSON.—No; it does not attempt to deal with the Railways Commissioners. The Commissioners have sent special officers out to certain stations, and have offered to carry the wool by rail at almost any price with a view to prevent it from being shipped by steamer. They have offered to carry wool from stations 230 or 240 miles from Melbourne at rates which could not be secured by station-owners whose properties were 120 or 130 miles from Melbourne. This system of preference appears to be bound up in railway systems, and instructions have been given by the Railways Commissioners that freight is to be obtained, no matter what has to be conceded. A special officer is sent out, and if he meets a station-owner who says that he can get his wool carried *via* Portland at a certain price per ton, he will offer to convey it by rail at 6d. per ton less. By hook or by crook the railway authorities secure the traffic, and harbors which have been constructed at great public expense are being made little or no use of. The traffic that should go to build up country towns on the seaboard such as I have mentioned is centralized in Melbourne, merely because of the discriminating policy adopted by the Railways Commissioners. The fault does not lie at the door of the present Commissioners, because the same policy has been persistently pursued ever since we have had railways. Then, again, the writers to whom I have

referred advocate the reform of the company law. That recommendation is not applicable to Victoria, because we have the most up-to-date law dealing with that matter. In fact, our law is a little bit beyond date. In many respects it bears the impress of the Attorney-General, and, like all the measures framed by him, is so full of wire netting, ten-barred gates, and steel bullet-proof doors, that it is very difficult to transact business.

Mr. KENNEDY.—It makes the path of the wrong-doer more difficult.

Mr. ROBINSON.—I do not object to that, but I contend that the present law contains provisions that, while they do not check wrong-doing in the slightest degree, add very greatly to the cost of forming companies, and hamper the operations of small corporations. I have no hesitation in saying that the law costs in connexion with the formation of companies in Victoria have been at least doubled since the present Act was passed at the instance of the present Attorney-General in 1897, and that there are very few trading companies that do not consult their solicitor before taking any important step. Of course, as a member of the legal profession I do not object to that, because I find that it is to my advantage.

Mr. KENNEDY.—Previously some of the company promoters robbed the public without consulting their solicitors.

Mr. ROBINSON.—I am entirely in agreement with the honorable member that schemes for robbing the public should be discouraged, and that those who take part in them should be punished; but I think that I could show the honorable member that, if he undertook to form three or four small companies, he would find himself hedged about by vexatious restrictions that do not benefit any one, but largely increase the cost. The Victorian Companies Act has had one good result, from my point of view. Before it was passed, the members of the legal profession used to suffer from the competition of unlicensed persons, such as accountants and others, who formed companies on their own account. Under the operation of the present beneficent Act, such persons are absolutely prevented from adopting that course. If they undertook to form a company they would soon find themselves in a hopeless muddle, and no company can now be formed with safety without the assistance of a solicitor. From one point of view, such legislation is desirable, but from the public stand-point it

might very well be liberalized in some respects, whilst the most stringent provisions against dishonesty on the part of directors or company promoters might be retained. The American writers to whom I have referred also advocate the amendment of the patent laws. The points they have raised in this connexion have all been met by English and Australian legislation, which I think adequately safeguards the interests of the public. There is a consensus of opinion amongst protectionists and free-traders that in certain cases—such, for example, as that of the steel industry in the United States—the Tariff should be amended when an industry has reached the point of large exportation, and the protective duties no longer operate with any advantage to the public, but are used by the manufacturers to enable them to extort an extra price for their goods. I would urge that the provision in the Canadian Customs legislation to which I have referred should be embodied in this measure. The Canadian legislation admits of the reduction of the Tariff being brought about by a Minister of the Crown without reference to Parliament. I could not agree to that, because I think that Parliament is the proper body to deal with the Tariff, and that it would not be wise or proper for us to give up our control of the Tariff to any Minister, even though he might be as impeccable as the present Minister of Trade and Customs. All the American writers conclude by urging the necessity of what we may call fair competition. They insist that the trusts should not be permitted to club their competitors out of existence. I am not quite sure whether the provisions of this Bill would carry us far enough. I am inclined to believe that the cutting of prices in a particular locality would be regarded as an attempt to monopolize trade, and would be punishable under the Bill. Therefore, probably the views of the writers to whom I have referred would to some extent be met. Many of the writers have pointed out that centralization is an ordinary development of business at the present time, and that no attempt should be made to check it. I presume that the words in the Bill, “to the detriment of the public,” are intended to protect centralized industry, and to hit out at monopolized industry. The only provisions in the American legislation which are germane to this Bill are those which aim at securing fair competition, and,

speaking subject to modification in the light of further discussion, I think that the general principle underlying some of the clauses in Part II. of the Bill might be accepted—the principle that a combine in restraint of trade or commerce to the detriment of the public should be repressed.

Mr. KELLY.—Who is to decide whether the operations of a combine are to the detriment of the public?

Mr. ROBINSON.—That is a matter of fact, upon which we must trust a jury. The Minister has promised that that body shall be of an exceptional nature—that it shall consist of first-class men, so far as we can get them. We can only hope that the best men available will be chosen. It is admitted that some steps must be taken to check the growth of destructive monopolies. The only question which now arises is, “What is the best way in which to accomplish the desired result?” Though I think that much of the wording of these clauses ought to be amended, their underlying principle that a monopoly to the detriment of the public is an injurious thing, is a sound one. Consequently, we ought to endeavour to punish that sort of thing, always provided that in so acting we do not injure the ordinary operations of business people. In this Bill, I do not see any overt attempt to give effect to the suggestions of Mr. Collier, Mr. Clark, and others, against what is called “clubbing competition.” I presume that that is intended to be covered by the words “combining or conspiring to monopolize trade.” There are several provisions in this portion of the Bill which I regard as most objectionable. For instance, clause 11 offers about as big a premium for blackmailing as it is possible for any legislation to confer. It provides—

Any person who is injured in his person or property by any other person, by reason of any act or thing done by that person in contravention of this part of the Act, may, in any competent Court exercising Federal jurisdiction, sue for and recover treble damages for the injury. That is a very drastic provision for a start. The clause goes on to say—and this I contend offers an absolute premium to blackmail—

No person shall, in any proceeding under this section, be excused from answering any question put, either *visd voce* or by interrogatory or from making any discovery of documents, on the ground that the answer or discovery may criminate or tend to criminate him; but his answer shall not be admissible in evidence against him in any criminal proceeding other than a prosecution for perjury.

That seems to me to permit of action being taken against an individual upon the most flimsy ground, and—by an alteration of the Common Law of England—to deprive him of a means of defence, that from time immemorial he has been allowed. I am really astonished that such a provision should be contained in the measure. It shows that there is a disposition on the part of some of those who are more intimately connected with it to serve up everything hot, rather than to ascertain what is the best means of dealing with this very important and very intricate question. I now wish to say a few words in regard to the Minister. I have carefully read the speech which he made in moving the second reading of the Bill, two or three times. It possesses all that grace of inconsequence which is so characteristic of his deliverances. He flies from China to Peru, from tobacco to iron, and then to kerosene—

Mr. KELLY.—And is equally unreliable upon them all.

Mr. ROBINSON.—Exactly. For instance, I find that he stated that the Massey-Harris Company is an off-shoot of the great American Steel Trust. No more absolutely futile and inaccurate remark was ever made to any Legislative Chamber. As a matter of fact, the Massey-Harris Company is one of the greatest competitors of the Steel Trust. Yet the Minister says that it is practically the same body. I suppose that somebody met him in the street, and told him that it was so, and he did not even take the trouble to verify his informant's statement. I might tell him that the Massey-Harris Company was established in 1891, and the great Steel Trust in 1902. Yet, according to the statement of the Minister, 1891 comes after 1902. His extraordinary arithmetic has lead him into many a trap before. The honorable gentleman then dealt with the tobacco combine. I have read most of the evidence taken before the Tobacco Commission—I do not think that anybody has read all of it—and I have carefully perused the majority and minority reports of that body.

Mr. CONROY. — The honorable and learned member must excuse the Minister's statements. They are based upon an affidavit made by Mr. McKay.

Mr. ROBINSON.—I do not think that even Mr. McKay would make such a statement. In referring to the operations of the Tobacco Trust—as will be seen by re-

ference to *Hansard* of the present session, page 249—I find this extraordinary statement by the Minister—

At one time, tobacco was grown to a considerable extent around about Tumut and the Upper Murray, but, at present, very little is being cultivated. I cannot ascertain the quantity that is produced now in comparison with that grown a few years ago, but I believe that the operations of the trust are proving injurious to the industry in Australia, and that they will utterly destroy it.

That statement evidences such an absolute want of knowledge of the Minister's own Department as to be absolutely appalling. The import duty upon tobacco leaf is 1s. 6d. per lb., whilst that upon manufactured tobacco is 3s. 3d. per lb. There is no Excise duty upon Victorian leaf. The Excise upon tobacco that is locally manufactured is 1s. per lb. Consequently, if the tobacco combine used Australian leaf for the manufacture of their tobacco, they would save 1s. 6d. per lb. According to the Minister, they are deliberately wasting 1s. 6d. per lb. for the purpose of killing off a few growers in the neighbourhood of Tumut. Was ever a more ridiculous statement made by a responsible Minister? If the combine could supplant imported manufactured tobacco by the use of Australian leaf, they would save from 1s. 6d. to 2s. 2d. per lb., or, roughly speaking, nearly £500,000 a year. Yet, with this enormous advantage in their favour, they are compelled to use a certain quantity of the imported leaf. The Minister thus argues that the combine actually pays away £500,000 annually for the purpose of abolishing the local growth of tobacco.

Sir WILLIAM LYNE.—It is a fact, too.

Mr. ROBINSON.—A man has only to apply his common sense to such a statement to ascertain the fallacy of it. Would any combine, however grasping, throw away £480,000 annually for the purpose of insuring that the product of certain lands in New South Wales shall not be tobacco, but something else? Is not the idea opposed to every consideration of common sense, and to ordinary business experience? That is the Minister's statement in speaking of the Tobacco Trust, which he declares this Bill ought to deal with. Whether it will do so must, of course, be a matter for evidence. If it is a combine, whose operations result in restraint of trade to the detriment of the public, of course it will be affected by the measure. By the use

of the words "detriment of the public," I assume that the framer of the Bill meant either that the combine improperly increased prices, that it lowered wages, impaired the general conditions of employment, or that it did not reduce the price of the manufactured article when its cheaper raw material and new machinery enabled it to turn out goods at a very much lower rate. A failure to do any one of these things would probably be held to be to the detriment of the public. I understand that it is the intention of the Minister that a combine which cannot be convicted of pillaging the public in some way, ought not to be punished. A combination *per se* is not necessarily objectionable. If a combination of itself were an objectionable thing, we ought to punish all trade unions, and every other union of individuals who combine to strengthen their particular cause or to advocate any special measure, either of a social or business character. A combination ought to be punished only when it is shown that it is something which will injure the public, either by taking away from them some benefit which they ought to enjoy, or by inflicting upon them some burden which they ought not to be asked to bear. I favour Part II. of the Bill, with certain amendments, which will have the effect of protecting persons who may be engaged in business from being black-mailed, and of securing the determination of cases which may arise by, as nearly as possible, a skilled jury. I also favour certain amendments which will protect in our Courts of Law any agreement made by a combination, which is not detrimental to the public interest. I come now to Part III. of the measure, which relates to dumping. I admit that this is a question which is surrounded by a considerable amount of difficulty. There are some instances in which it cannot be denied that a particular industry has been built up by the dumping of its raw material. But there can be no doubt that other industries have been very much injured by dumping, and by having to compete with goods which have been sold without profit. Dumping does strike the average man as being something which is unfair. It does not permit of that fair competition which Parliament ought to see brought about as far as possible. From that point of view we are entitled to enact legislation which will have the effect of securing the fairest competition to those who

are engaged in any industry in Australia. There is no doubt that some industries have been greatly strengthened by dumping operations. I hold in my hand an extract from the report for 1904 of the British Consul-General at Frankfort. In it he shows that the German cartels in iron have been selling pig-iron to Belgium and Holland at a lower price than that at which it could be purchased by German manufacturers. The result is that large orders for finished goods have been completed in Belgium, Holland, and Great Britain, and the German finishing manufacturers have had to lose those orders. He says—

Among all the syndicates those controlling raw material and half-finished goods proved themselves the most powerful and the hardest masters. They sold raw material and half-finished goods abroad at low prices, so that the home industries, which worked off such raw material, &c., were severely handicapped. These asserted (and not without reason) that the consumers of German material in foreign countries, especially in Holland and Belgium, were by these prices placed in such an advantageous position that it was most difficult, if at all possible, to compete against their prices. The syndicates themselves admitted the seriousness of their position by expressing their willingness to grant certain export bonuses, which, however, the industries concerned pronounced inadequate. Some cases actually transpired in which German "finishing" manufacturers "had to decline" orders owing to the exorbitant prices of raw material, which orders subsequently passed to Holland, Belgium, and the United Kingdom.

There is proof in an official document, and if honorable members were to turn to the report of the British Board of Trade presented to the House of Commons, about eighteen months ago, they would find some very valuable evidence upon the same matter, showing that while it is a fact that certain industries have been injured by dumping, it is also an undoubted fact that certain other industries have been aided by it. However, I feel that the competition of a man who admittedly sells without profit is a class of competition with which a Parliament may be expected to deal. We are, therefore, in my opinion, entitled to consider any measure brought forward for that purpose. In Canada, and in New Zealand, special legislation has been passed to deal with it, and I venture to say that the legislation passed in those countries is decidedly of a higher character than that proposed in the measure before us. According to the pamphlet issued to us, and which I personally wish had been issued earlier, under the Canadian legislation, if it appears to the Minister that articles are

being imported for sale at a price less than the fair market value thereof, he may make such articles subject to a special duty. The amount of that special duty is strictly limited under the Canadian Act, but under this Bill the amount by which the Minister may raise the Tariff upon such articles is left to his own discretion, and honorable members will agree that that means an illimitable amount. In the New Zealand Parliament, under the leadership of the late Mr. Seddon, an Act was passed dealing with dumping, which, I believe, supplies by far the best suggestion yet made for dealing with importations of farming implements. It is one which I would support unreservedly, because I believe that it would give to the manufacturers of Australia all they can reasonably ask for, whilst it would secure to the farmers of this country the whole of the benefits of foreign competition. The New Zealand provision is that if the price of an article is reduced below what a Board considers a fair price, and New Zealand manufacturers agree to reduce their price, they are to get a bonus for every reduction they make. The importer can continue to send his goods into New Zealand, whilst the New Zealand manufacturer will get a bonus on every reduction he makes upon the price of similar goods. As the result of the New Zealand legislation, which I may say deals only with farming implements, the men who have to use them are able to secure them at the lowest possible price, whilst it is impossible for the importer to crush out the local industry for their manufacture, because of the bonus given to the local manufacturer every time he lowers his price. Legislation of that kind would, it seems to me, completely meet all the complaints that have been made, and in a way which would not be unjust to any primary industry. It must not be forgotten that those engaged in the primary industries of Australia must take the world's price for the goods they sell. They therefore deserve, in legislation of this kind, as much consideration as does any other class in the community. By legislating on the lines adopted by the late Mr. Seddon, it seems to me that we should be able to secure to our farmers and producers generally the whole of the benefits which may be secured through internal and foreign competition, and we should at the same time place our manufacturers in such a position that they would be enabled to

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stand any shock to which they might be subjected by foreign competitors. After perusing the correspondence with which I have been deluged from the time this proposal was under discussion last year up to the present, I have no hesitation in saying that the great bulk of the farmers in the electorate I represent do not believe in the imposition of extra duties on farming implements. I am also quite certain that they would offer no objection whatever to legislation on the New Zealand plan. They do not wish to see extra duties imposed upon the implements they use, because they know that they must compete in the markets of the world with their produce, and they are unable to see why they should be asked to take the world's price for their produce whilst some one else is permitted to take a strictly artificial price for his. On the harvester question we had some very tall statements from the Minister. At page 251 of *Hansard*, I find that the honorable gentleman quoted a declaration made by a Mr. Edward Coxon. The way in which this declaration is introduced shows that the Minister cut the clipping out of the *Age* newspaper, and crammed it into *Hansard*. It was most unfair to quote that declaration without any reference to the fact that it has been denied point blank by a gentleman who, Mr. Coxon alleges, had made a certain statement, or to the fact that evidence in reply to it was given to the Tariff Commission, who have yet to decide which of the two statements is the more reliable. The Minister has shown the judicial position which he takes up by absolutely ignoring every statement which may be made in contradiction of Mr. Coxon's declaration. When the honorable gentleman has heard one side, he says that that must be true, and he refuses to listen to the other side.

Mr. KELLY.—Did the Minister say anything about there being another side?

Mr. ROBINSON.—The honorable gentleman never mentioned the fact that there was another side. In dealing in his judicial capacity with matters of this kind, the Minister should hear both sides. If Part III. of the Bill be passed in its present form, we must rely for the effects of its operation upon the discretion of the Minister, whose action, so far, does not encourage us in the belief that such discretion will be very impartially exercised. In connexion with the dumping proposals, I find in the honorable

gentleman's speech some cryptic references to the Standard Oil Trust. He said—

In a few minutes I shall tell honorable members how I propose to deal with the Standard Oil Trust—

and, speaking of the Standard Oil Trust and the Steel Trust, the honorable gentleman said—

We shall, however, under the Bill, be able to prevent them from bringing their manufactures here to unduly interfere with our own industries.

The honorable gentleman then went on to speak of a company in New South Wales with a nominal capital of £600,000 that proposes to erect works for the extraction of oil from shale. It must not be forgotten that there are two competitors at the present time in the Australian market for kerosene. There is the Shell Transport and Trading Company, a British-owned concern, which sells a large amount of kerosene oil in Melbourne and in the country towns of Victoria.

Mr. WILKS.—And in New South Wales also.

Mr. ROBINSON.—I cannot speak as to its business in New South Wales. We have also the "White Rose" and other brands of kerosene, put up by the Standard Oil Company. If the Minister is going to deal with these trusts by shutting out these goods in this way, our largest supplies of kerosene, which is the universal illuminant throughout the country districts, will be cut off, and we shall have to rely on the costly oils taken from shale in New South Wales. The honorable member for Barrier is aware that some years ago a duty was imposed in New South Wales on shale and kerosene oil, with the result that those using these oils had to pay a higher price for them.

Mr. THOMAS.—Does not protection make things cheaper?

Mr. ROBINSON.—The honorable member should ask the Minister of Trade and Customs. Kerosene is one of the most useful illuminants yet discovered, and to prevent its importation because a large portion of the supply of the article is controlled by a trust would be equivalent to cutting off one's nose to spite one's face. It would be carrying the rigid protectionist principles of the Minister of Trade and Customs to an extreme, at other people's expense, to which I think they should not be carried.

Sitting suspended from 6.30 to 7.30 p.m.

Mr. ROBINSON.—My electorate is peculiarly an agricultural one, and I have received many requests to oppose any

increase of duties, whether by Act of Parliament or regulation, upon implements used by the farming population. I believe that steps are being taken in that district to bring the protest of the people under the notice of the Government, especially in connexion with one farming implement, which has been the subject of much discussion, both in Parliament and in the newspapers for some time past. I refer to the well-known machine called the harvester. Under this Bill—and I cannot help thinking that, but for the very skilfully engineered agitation of Mr. H. V. McKay, of Ballarat, we should never have seen the measure—it is within the power of the Minister to stop the importation of harvesters from abroad, or, in effect, to levy a high duty upon them. He may increase their value for Customs purposes to £60, £600, or even to £6,000 if he pleases; or he may prohibit their importation absolutely. I should like to call the Minister's attention, if it is not too much trouble for him to listen to me, to the evidence given by Mr. McKay before the Tariff Commission. Mr. McKay strongly advocated the imposition of a fixed duty on harvesters. He stated that it would be better to have a fixed duty than to rely upon the exercise of Ministerial discretion. The subject has been dealt with by the Tariff Commission, and, if I may say so, I think that it shows rather indecent haste for the Government to introduce legislation dealing with the matter until we have had the advantage of the deliberations of the Commission, and before the whole of the evidence taken upon the subject has been circulated amongst honorable members. At present the only evidence that has been circulated amongst us is that of those who argue for a higher duty. The evidence of those who oppose higher duties—not merely the importers, but the farming representatives, who came at their own expense to Melbourne to lay their views before the Tariff Commission,—is being withheld. An attempt is being made to rush this Bill through, it seems to me, for the purpose of covering up the Minister's tracks in the very arbitrary action which he took in raising the valuation of harvesters. Some extraordinary allegations have been made on this question. One or two of them I was somewhat astonished at hearing honorable members repeat. It has been said that the Americans have been guilty of the heinous offence of buying an Australian machine, copying it, and sending the copies here.

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I cannot say whether the Americans have or have not done so. I think it probable that they have. But no invention, whether it be of a machine or any other product, and no new discovery, can have its benefits diffused over the earth unless people do copy them. Take every article that we wear—hats, clothes, boots, and so on. Those articles of attire in their present form were discovered by somebody, and were copied by other people. It is not disgraceful for any manufacturer to copy the inventions of another person, provided that in doing so he keeps within the law. These harvesters were entitled to be copied, and any manufacturer was distinctly within his rights in copying them, and in manufacturing them at the lowest possible cost for the purpose of finding buyers for them. But this heinous practice of copying machines and other articles is not limited to American manufacturers. The very Australian manufacturers who have been loudest in their complaints about the copying by Americans of Australian machines, have themselves adopted the very same practice. Take disc ploughs, which were referred to the other night by the honorable member for Moira. The disc plough is an American invention. It was patented in America, and the patent rights in Australia were sold to a man named Peacock. Disc ploughs have been manufactured here by various firms, some under licences from Peacock, and some without licences; because some of the Australian manufacturers considered that the patent was open to attack in Australia. An action has taken place recently in our law courts, the result of which shows that the patent was open to attack in Australia; but the idea, so far from being Australian, was an American idea, and our manufacturers were absolutely entitled to copy it, no matter whether it originated in America, Timbuctoo, or anywhere else. They were entitled to make the machine and sell it at the lowest possible cost. Take next the case of grain drills. No implement ever produced and used in Australia has done so much to improve farming in this country as the grain drill. It is purely an American invention. It was never attempted to be made by any manufacturer out here for many years. Now, however, it is made in Australia. How is it being made? We will take the case of Mr. McKay—the real author of a portion of this Bill; for he is the man whose clamour originated it. Mr. McKay was the confidential agent of an American firm of drill

makers, and he now manufactures grain drills himself. They are all copied from the drills of the firm for which—as well as for one or two other American firms—he was agent.

Mr. PAGE.—He accuses the Americans of copying the harvester!

Mr. ROBINSON.—And he does exactly the same thing himself. Mr. John Mitchell was the confidential agent of an American firm of drill makers. He copied the American drill to such an extent, and so closely, that he even copied private numbers on various portions of the machine, of which he did not know the meaning, but which were put on by the American manufacturers for some purpose connected with the working of their own factory. He copied the machine so closely that he even reproduced non-essential details. And this is one of the men who now clamour against the Americans for having copied the harvester! These men, having been the confidential agents of American firms, and having obtained confidential information, copied their goods—as legally and morally they were entitled to do; because, as I said before, if they were not copied the benefits produced by new inventions and discoveries would not become diffused over the globe as they are to-day.

Mr. PAGE.—It is pretty rough on the inventor, though.

Mr. ROBINSON.—The inventor has his fourteen years under the patent laws, within which he must make his "pile." If a man breaks the patent laws he should be punished for it. But if an article is not patented it is within the province of any manufacturer to copy it, whether he be an American, an Australian, or a British maker. To attack the Americans because they copied a non-patented article, and were quite within their rights in doing so, whilst the very men who call them pirates have done the same thing themselves—only in so doing they were not quite so reputable—shows a very diseased frame of mind. I have no doubt that some attacks can be made, and ought to be made, upon the American manufacturers. But let them be made on lines of justice and reason, and let not attacks be made upon them simply because they are doing something which makes an article that is largely used amongst our farmers a bit cheaper, and distributes the benefits of that article amongst a larger section than would otherwise get it. The outcry about copying articles of this de-

scription is one which is based not upon any fact, but upon an entirely erroneous view of the rights of manufacturers, and an entirely erroneous statement of what actually took place. It is rather alarming, however, to think that these people who have the hardihood to come to Parliament, and make a claim of this kind, have themselves been guilty of the very practice which they condemn. In this connexion I may refer to a remark made in the course of this debate by the honorable member for Perth, and to an interjection by the Attorney-General. I quote this to show that the Attorney-General is influenced by the same idea—that we ought to prevent the introduction of new machinery and new methods if we can.

Mr. KENNEDY.—He did not make that statement.

Mr. ROBINSON.—The honorable member will see what I mean when I read the interjection. The honorable member for Perth assumed a case where a machine was introduced into America, and resulted in certain products being sold in Australia at a reduced price—

The Australian manufacturer who wants to compete is placed in this position: that he has either to get the new machine or to reduce the wages of his employés. I regret that I am unable to go into details of evidence given before the Tariff Commission, but I may say, incidentally, that frequently it has been told that the demand for a certain class of goods is so limited in Australia that to put in the best and most up-to-date machinery would not be justified.

Therefore, the honorable member pointed out that in a case of that kind, where a new invention came out, which would greatly lessen the cost of a particular article, and which it would not pay a manufacturer to utilize here, it was quite competent for the manufacturer who was following obsolete methods in this country to say, "I am being unfairly competed with; these Americans can sell their goods at one-half my price, and I must ask for a prohibitory Tariff." Thereupon, the Attorney-General interjected—

Does the honorable member assume that the Australian industry is one advantageous to be preserved or not?

What does that mean? That, according to the Attorney-General, the industry must be preserved, even if it is one which is absolutely prejudicial to the interests of the people of this country, and even though it be an industry which does not employ up-to-date methods that will result in

lowering the cost of production. The one object of the Attorney-General is the protection of the man engaged in the particular industry, but to give the benefits of a new invention to the whole people is a proposition that would strike him as practically not worth considering. Carry his idea to its logical issue, and we find that it means that wherever a new machine is made in some other part of the world, which results in lowering the cost of production, and the cheapening of goods, if it will interfere with an Australian industry which has not adopted the new methods, we are entitled to stop those goods from coming into this country. If we are going to adopt that principle, the sooner we build a Chinese wall round Australia the better. We ought to aim at our consumers getting the fullest possible benefit from invention, and to assume that the output of a new invention is unfair competition is to put up a bar in the path of progress which we ought not to permit. A question was mentioned to-day as to the methods which have been urged in support of this Bill. A constituent of mine, residing at Cape Bridgewater, which is about 270 miles from Melbourne, has sent to me the precious production which I hold in my hand. It is a production called the *Dairy Farming and Agricultural News*. I think it ought to be called the *Fairy Farming News*, because there are more "fairies" in it than I have seen in any similar production. On the wrapper in which the publication was enclosed, is, as large as life, "On His Majesty's Service." The object of that is to convey to the farmers that this is a Government publication, with the purpose of disseminating knowledge on this question.

Mr. WILKS.—Who issued the publication?

Mr. ROBINSON.—I do not know, but I would take a large shade of odds that Mr. McKay, the manufacturer of the Sunshine Harvester in Australia, has more interest in the publication than any other individual. Starting on page 65, there is an article headed "On the Trail of the Trusts," and references to Mr. Deakin's speech, and Mr. Deakin's policy. Then on page 71, there are two pieces of slang-whanging of the honorable member for East Sydney.

Mr. MAUGER.—What does the honorable member mean by "slang-whanging"?

Mr. ROBINSON.—If the honorable member does not know what "slang-whanging" means, he ought to go back to school. On several pages there are cartoons reprinted from the *Bulletin*, and articles against free-trade, with further reference to trusts. Then there is an article on "Nations and their industries," full of talk about combines, and gentle insinuations that the Deakin Government is the only possible body of men to save the country from going to the dogs. Then there are more cartoons from the *Bulletin*, and another attack on the honorable member for East Sydney.

Mr. HUME COOK.—How many shares has the honorable member in that publication?

Mr. ROBINSON.—The honorable member, who is the Government Whip, can earn his salary much better than by making stupid interjections. All through, this publication is purely partisan, and for the purpose of supporting two things—one the protectionist policy of the Deakin Government, and the other the distribution of Mr. McKay's very excellent machinery. This publication is sent through the post marked "On His Majesty's Service" for the purpose, as I have said, of deluding and bluffing farmers into the belief that it is a Government publication.

Mr. PAGE.—That is no worse than was done by the Reid Government, who ran two special trains to carry the *Age* and *Argus* representatives.

Mr. ROBINSON.—I am not aware that the Reid Government ran special trains for that purpose, but if so, the proprietors of those newspapers ought to be pleased. I object to partisan publications being sent through the post marked "On His Majesty's Service," and if such a practice be allowed to go on, it, in my opinion, shows very lax administration on the part of the Post and Telegraph Department. The following is a letter which I received from a farmer in my district in reference to this publication:—

My excuse for writing is to call your attention to a so-called newspaper which I am sending under separate cover. It is the current number of the *Dairy and Agricultural News*. You will see that it is supposed to be "paid at Melbourne," but on the cover is printed "On His Majesty's Service." It seems to me to be playing the game very low down, to use this imprint to give seeming authority to literature of a party nature.

I thought, perhaps, you may not have a chance of seeing this paper.

be wrong. Perhaps of the Deakin seems we must

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hazards. For the time being, such a Judge would exercise a political sway that he ought not to exercise; and from that point of view I regard such an appointment as most objectionable. But the man secured ought to be absolutely impartial. In thinking the matter over, I do not believe that we could do better than fall back on a method which, though not a perfect one by any means, is freer from some of the objections that have been urged than are other tribunals. I refer to the method suggested by the Attorney-General on one occasion when he occupied a seat in the Opposition corner, namely, to appoint a Standing Committee on Trade, which would report every year or every three or six months on questions of this kind. Once we place this power in the hands of a Judge, that Judge will be in a very awkward position. If the power is placed in the hands of a tribunal appointed by the Minister, we may have trade competitors deciding on a matter which vitally affects their own pockets. The old expedient of a parliamentary Committee, much knocked about and deplored as that expedient has been on occasions, has much to recommend it. After all, I believe that the majority of honorable members would, in a matter of this kind, endeavour to bring the facts before their fellow members. Such a Committee would also have the great advantage that it would be a body appointed by, and composed of, Members of Parliament, so that parliamentary control would be to some extent secured. If we give the power of controlling the Customs duties and imports solely to the Minister, we shall as a Parliament abrogate one of our chief functions. The honorable member for Mernda the other day declared that Parliament had not the respect it once had, and that parliamentary debates did not excite the public attention that was earned for them in the past.

Mr. PAGE.—Where is the honorable member for Mernda to-night?

Mr. ROBINSON.—The honorable member must ask me an easier question. There is something to be said for the attitude of the honorable member for Mernda; but if there is one thing more than another that is likely to injure the standing of Parliament in the eyes of the people of Australia, it is the fact that we shirk our responsibility by every day legislating more and more by regulation—more and more by proclamation—and less and less by Parliament. It is the duty of Parliament to legislate, and decide what taxes shall be imposed or

removed. The Ministry should not be left to do this work; they are, or ought to be, so to speak, the officers and servants of the House, and should not be intrusted with the exercise of a Czar-like power at their own sweet will. The decision of the Ministry can only be reversed by their dislodgment from office; and there comes a time in every man's political life when, though he would like to vote against some action of the Government, he cannot do so, because it would mean that the whole Ministry must go out of office. There is thus put on a man's party loyalty a strain which there ought not to be, and the best results are not obtained from our deliberations.

Mr. PAGE.—That does not trouble the honorable member at present!

Mr. ROBINSON.—In what way?

Mr. PAGE.—I mean about putting the Government out of office.

Mr. ROBINSON.—I do not want the Government to go out of office just now. I may say that I prefer to be always in opposition.

Mr. PAGE.—Not always!

Mr. ROBINSON.—Mostly always. In dealing with local trusts the Bill relies on the jury system, because that is something we are all used to, and because it means a combination of men like ourselves—men of the same sentiments and feelings. A jury is a collective body, and we believe that any decision of such a body will, on the whole, be a fair one. In dealing with the matter of duties on imports, we should rely on a well-tryed and well-known method, namely, that of Parliament deciding what duty is to be imposed. The whole of this class of legislation, by which we voluntarily give up our power to a Minister, who may or may not be any better than any individual member, is a great mistake, which must lower the esteem of the people for Parliament. The sole power of taxing goods was acquired by Parliament only after a very severe struggle, and it seems to me to be putting the clock back when we give up this mighty engine to a Minister who can be checked only on condition that, not alone he, but the whole of his colleagues, must be turned out. I do not believe in such legislation, and I would not on any account support a clause which gave such a power into the hands of any one individual member. The whole of this part of the Bill ought to be deferred until we have further information from the Tariff Commission. That Com-

mission has heard evidence in support of, and also against, higher duties on ironwork and machinery, and we have had statements read to the House by the Minister, and we have heard the contradictions to those statements. It seems to me to be verging on farce when, having a Tariff Commission which has already cost the country £7,000 or £8,000, we deal with one of the most important subjects relegated to that body before we have read or considered the evidence, and before we have heard the opinions of the Commission. I certainly think that aspect of the question ought to be considered, and that the third part of the Bill should not be dealt with until we have had an opportunity of weighing the evidence and conclusions arrived at by the Tariff Commission. As to the second part of the Bill, I shall, generally, support it, with the amendments and suggestions I have indicated; and as to the dumping, I can agree with the provisions forthwith if the Government adopt the New Zealand plan, which does not involve interference with the Tariff in any way. But to place this power solely in the hands of the Minister, is a proposal to which I hope no honorable member will agree.

Mr. WILKS (Dalley) [8.0].—This Bill has caused at least a very interesting debate, extending over nearly a week. What strikes me most is the faint-hearted manner in which the measure has been supported. Beyond the Minister himself, whose bantling this Bill is, and the Attorney-General, the only approval of the Bill has been that expressed by the honorable member for Melbourne Ports and the honorable member for Moira. Both these honorable members defend the Bill because it gives, as they say, full force to protection.

Mr. MAUGER.—We say that this Bill is wanted, *plus* protection.

Mr. WILKS. — Those honorable members say that the Bill will give full effect to the system of protection, and, on that ground, they give it their support. The honorable and learned member for Northern Melbourne, who is an ardent supporter of the Government, and a capable lawyer, tore the Bill to tatters to-day, when he said that, from a constitutional stand-point, he questioned very much whether the provisions dealing with monopolies could be carried out.

Mr. MAUGER.—But the honorable member for Northern Melbourne is going to vote for the Bill all the same.

Mr. WILKS.—Member after member addresses the House and the country, admitting that the Bill is faulty—that the draftsmanship is not complete—and, still, in the words of the honorable member for Melbourne Ports, they are “going to vote for the Bill all the same.” That is evidence of absolute make-believe to the public.

Mr. MAUGER.—Nonsense!

Mr. WATKINS.—That applies all round the House.

Mr. WILKS.—It does not. The honorable member for Melbourne Ports has said that, although it has been pointed out that what is proposed to be done by this Bill is constitutionally impossible of achievement, he will vote for the measure. Is he prepared to tell the country later on that he voted for a measure which was really only so much waste paper?

Mr. WATKINS.—Every member of the Opposition has said the same thing.

Mr. WILKS.—No. No member of the Opposition has said that he is satisfied with the Bill.

Mr. MAUGER.—Then why do they not fight it, and vote against it? They have not the pluck.

Mr. WILKS.—I shall answer the honorable member's question presently. The Bill has had a most interesting history. Last session it was introduced under a much less attractive title than it now possesses. To-day, this is the placard at the head of it—

A Bill for an Act for the Preservation of Australian Industries and for the Repression of Destructive Monopolies.

The Minister of Trade and Customs has obeyed his instructions, and altered the original title. The Bill introduced last session dealt with all combines and trusts. But, as the honorable member for Newcastle knows, there are combines which are beneficial, and, in his electorate, there is a combination of colliery-owners which has had the effect of increasing the wages of the coal miners. The objection that the Bill introduced last session would apply to all combinations, was pressed so insistently by the members of the Opposition, that the Minister has now introduced a Bill to deal with “destructive monopolies” only. That is one gain which has resulted from the attitude of the Opposition, and we shall teach the Minister the advisability of making other alterations before we have finished.

Mr. WATKINS.—This is very thin.

Mr. WILKS.—The honorable member would not vote against the combination in the Newcastle district to which I have referred.

Mr. WATKINS.—Neither this Bill nor the last would affect it.

Mr. WILKS.—The honorable member is a trade unionist, and he, therefore, would not apply the provisions of a Bill such as this to a combination which has had the effect of increasing wages. I shall not deal exhaustively with the trust legislation of America, because honorable members are very well acquainted with the various works on the subject which have been issued within the last two or three years. It is well known that the American trusts owe their existence largely to the protective policy of that country. The leader of the Labour Party, however, has stampeded from his official declaration in regard to the proper treatment of monopolies. Speaking from the public platform as the mouth-piece of the Labour Party of Australia, he said, less than four months ago, that he believed, not in the regulation and control of monopolies, but in the State ownership or nationalization of them. I took an opportunity, when in another State, to answer his arguments, and to point out that the party to which I belong is in favour of applying State regulation and control to monopolies which are inimical to the public interest. But although the honorable member for Bland said that the Labour Party would be satisfied only with the nationalization of monopolies, and instanced the shipping combine and the sugar trust as two with which he would deal, he said the other night that he is prepared to support this Bill, notwithstanding that it provides only for the control and regulation of certain monopolies. But, while he promised to vote for it, he gave it the faintest of praise, and said he believed that it would not be effective. Was not his speech so much make-believe? The honorable member for Melbourne Ports says that honorable members on this side are prepared to vote for the Bill, although they know that it will be inoperative; but the honorable member for Bland has specifically stated that he will do so. Personally, I believe in State interference for the crushing of monopolies. But the present Bill seems to be altogether too drastic. I could understand a protectionist openly supporting it, on the ground that it would further the protectionist, or rather, the prohibitionist,

policy. Its object cannot be described as an attempt to sneak in protection, because it aims at much more than that, and if successfully administered by a protectionist would mean the deluging of the Commonwealth with protection. If the Bill is carried into force as it stands, the Minister of Trade and Customs will be able to do everything that he has been trying to accomplish for years past. There will be no need for an alteration of the Tariff, because he will, by his own act, be able to increase the protection given to local manufacturers as much as he likes. Even the honorable member for Perth, who is a member of the Labour Party, a supporter of the Government, and a member of the Tariff Commission, has stated openly that the Bill is an instance of protection run stark, staring mad.

Sir WILLIAM LYNE.—The honorable member for Perth is a free-trader run mad.

Mr. WILKS.—The Government are very glad to get his support. The statement which I have quoted was not that of an irresponsible partisan, but of one who believes in the nationalization of certain monopolies, and has spent eighteen months in listening to evidence upon the operation of the existing Tariff. I was elected as a free trader, and shall not allow, so far as I can prevent it, the carrying out of protection such as the Bill seeks to provide for. It is a curious thing that the gigantic monopolies of which we have heard so much all exist in protectionist America, and it has been only with the advent of protection in Australia that the fear of monopolies has arisen here. Monopolies can be based only upon legislative privileges. The Government party are responsible for the protective Tariff, which alone can be made the basis of any monopolies that may be established here, and, having created a condition of things which makes the existence of monopolies to be feared, they now ask for power to regulate and control them. I can understand a protectionist like the Attorney-General, who thinks that openings have been made in the Tariff wall which enable foreign companies to invade Australia, voting for the Bill; but I cannot understand why other honorable members should vote for a measure whose practical effect will be to provide for prohibition, if a protectionist Minister of Trade and Customs cares to apply its provisions to that end. The Minister, speaking in December last, said that it would be useless to bring in a Bill for

the amendment of the Tariff, because the Opposition would prevent it from becoming law. If we are strong enough to prevent the raising of duties, why should we be a party to the passing of a prohibitive measure such as this? As a free-trader, I am prepared to acknowledge that in the fiscal battle we were defeated, and I am therefore ready to respect the Tariff which Parliament has passed. I wish to see that Tariff properly enforced, and to prevent its evasion by outside corporations; but I certainly shall not vote for prohibition. One effect of the Bill is that, while it deals with monopolies controlled by associations, it neglects those controlled by an individual, a co-partnership, or a voluntary association. Moreover, so long as a monopoly confines its operations to any one State, the Commonwealth legislation cannot apply to it. As an illustration of what I think justifiable State interference with private enterprise, I would refer to the early closing legislation which a short time ago was forced upon many of the States Parliaments. It was never suggested, when that legislation was being advocated, that the Government should run the shops whose employes were appealing for shorter hours; but it was found necessary, since a voluntary movement for early closing had failed, to declare by legislation that, after certain hours, no business should be done in the shops to which it applied. That was an instance of State interference, and we, on this side, stoutly advocate State control and regulation of hurtful monopolies. The honorable member for Bland and his party, however, seem to have forgotten the most important plank of their platform. They had only two planks, namely, the progressive land tax and the nationalization of monopolies. They have given up the latter of these, and have adopted, in its stead, the principle of the regulation and control of monopolies. I would point out that the Colonial Sugar Refining Company are not free from competition. I am pleased to be able to inform honorable members that land has been purchased, and buildings are in process of erection, in the electorate which I represent, with the object of establishing a rival sugar refinery. Mr. Poolman, who carries on a sugar refinery in Melbourne, is establishing a branch in Sydney. When we asked the Minister of Trade and Customs to point to one example of a destructive or oppressive monopoly in Australia,

he was unable to give us the desired information. We are now being asked to legislate, not against an existing evil, but in anticipation of certain destructive monopolies arising in the future.

Mr. RONALD.—Prevention is better than cure.

Mr. WILKS.—The honorable member is scared by what has taken place in America, where gigantic combinations are rearing their heads and becoming a menace to the whole community. We find that, notwithstanding all the efforts that have been made in the United States to pass effective legislation, the trusts are able to work their own sweet will, and to go on their way rejoicing. We should not hasten to pass legislation of this kind merely because evils of a certain character have arisen in other countries. As a free-trader, I might point out that large combines and trusts find the most suitable fields for their operations in protectionist countries, where large legislative privileges have been conferred upon local producers by a high Tariff system. I know of only two combines in Great Britain, where there is free competition so far as the outside world is concerned. Even these monopolies rest upon privileges, in the form of certain patent rights, conferred by legislation. After having looked through the Bill very carefully, and having listened with attention to the debate, I have arrived at the conclusion that the measure provides protection for large business concerns, but affords none to those who are operating in a small way.

Mr. RONALD.—The honorable member admits that the measure will confer some advantages.

Mr. WILKS.—It will confer an advantage upon those who are interested in the larger undertakings, because it will remove all competition. Whilst free competition is encouraged, there need be no fear of dangerous monopolies. Last session, Ministers appeared to think that all monopolies were dangerous and detrimental to the public interest, but the present measure is intended to apply only to monopolies that are detrimental to the public. Further consideration has led to a change in the attitude of the Government in this and other respects. The present measure was presented by the Minister of Trade and Customs, in a speech which consisted mainly of a recital of the marginal notes, and it rested with the Attorney-General to

explain the principles of the measure, and to acknowledge that it would be effective as against corporations, but not as against individuals. The Government have changed their attitude also with regard to another matter. When the former Bill was introduced, the Minister of Trade and Customs stated that he was in favour of the appointment of a permanent Board. When introducing the present measure, he stated that he thought it preferable that Boards should be appointed as required. On the very next day, the Attorney-General expressed the opinion that it would be better to refer all matters to a Judge, instead of to a Board. These changes of front indicate, to my mind, that Ministers are not agreed upon the best course to pursue.

Mr. ISAACS.—We have been quite consistent, so far as that is concerned, because from the outset we endeavoured to secure the services of a Judge.

Mr. WILKS.—I do not know what Ministers have been doing in Cabinet. I only know what has been publicly announced by them. Nothing whatever was said about the appointment of a Judge when the Minister of Trade and Customs introduced the Bill. On the very next day, however, after the honorable member for Bland had suggested that a Judge should be substituted for the proposed Board, the Attorney-General said he thought there would be no difficulty in making the change, and that that would be a better arrangement.

Mr. ISAACS.—I stated that we had all along endeavoured to secure the services of a Judge.

Sir WILLIAM LYNE.—Last year the first attempt was to secure the services of a Judge.

Mr. WILKS.—It is a peculiar thing that the difficulty should have disappeared within about five minutes. Immediately after the honorable member for Bland had urged that a Judge should be appointed, the Minister of Trade and Customs said that such an appointment would be provided for.

Sir WILLIAM LYNE.—I did not say that a Judge would be appointed, but that it would be much better if we could secure the services of a Judge.

Mr. WILKS.—I do not see what is to prevent the Government from appointing a Judge. The provisions of the Bill which relate to dumping partake more of a fiscal character than those aimed at the repression of monopolies, and must be viewed with

extreme suspicion by honorable members on this side of the House, because they may be twisted in such a way as to entirely take the control of fiscal matters out of the hands of Parliament. The Minister told us that the principal importations of manufactures of steel and iron came, not from Great Britain, as I asserted by way of interjection, but from Belgium. I have taken the trouble to look up the statistics, and I find that three-fourths of our importations of steel and iron goods come from Great Britain.

Sir WILLIAM LYNE.—A great proportion of the goods entered as coming from Great Britain are really of Belgian origin.

Mr. WILKS.—A few days before he made his second-reading speech the Minister of Trade and Customs was beating the drum on behalf of preferential trade in Great Britain, and, on the grounds of loyalty to the Empire, was advocating that we should import British goods upon better terms than those accorded to foreigners. He now tells us that, owing to the extent to which goods—which come mainly from Great Britain—are being dumped upon our markets, legislative action must be taken to restrict such importations. I find that last year the value of the iron and steel goods imported into the Commonwealth from Belgium, was £190,000, whilst the importations of similar goods from Great Britain were valued at £3,480,000.

Sir WILLIAM LYNE.—If the honorable member had followed the history of the bridges erected in New South Wales he would have found that a great part of the iron of which they were constructed came from Belgium, although the bridges were supplied under contract by Scotch firms.

Mr. WILKS.—I want to establish the fact that this so-called dumping is being done with goods which come for the most part from Great Britain. We are not told that these goods are being sold at less than cost price, and I think that we should be supplied with some information upon this very important point. Surely it is only right that we should ask for evidence of the necessity for passing such legislation in the interests of the Australian producer. In the United States the Commissioner of the Bureau of Corporations was called upon to report upon the operations of the trusts, and the Hon. W. J. Bryan, one of the ablest of American politicians, and an advanced democrat, introduced what is called the licensing system, which has proved highly effective in connexion

with certain monopolies. I believe that the object which it is sought to attain by means of the measure now before us could be partly secured by an amendment of the Companies Act. Whilst I am anxious that Australia should escape from the evils attendant upon the unrestricted operation of huge foreign monopolies, I am not prepared to assist in making the buttresses of protection stronger, and thus render it possible for internal monopolies to work still greater harm to the community. I should like to know Mr. Poolman, owing to his carrying on a sugar refinery in Sydney, as well as in Melbourne, will be regarded as a monopolist, and as coming within the scope of the measure.

Sir WILLIAM LYNE.—He is doing good to the community. It must be proved that he is doing harm before we can interfere with him.

Mr. WILKS.—The Attorney-General has told us that the Bill does not deal with individuals.

Mr. ISAACS.—The Bill does not say anything as to that, but the Constitution does.

Mr. WILKS.—If an individual had branches of his business all over Australia, and was able to bring about a monopoly in a certain line of industry, would he come within the scope of the measure?

Sir WILLIAM LYNE.—If the monopoly were injurious it would be brought within the scope of the Bill.

Mr. WILKS.—Then the mere fact that Mr. Poolman is an individual will not enable him to escape if he establishes a monopoly.

Sir WILLIAM LYNE.—I do not think so, but the Attorney-General could speak more authoritatively on that point.

Mr. WILKS.—What I wish to know is whether the Minister would have power to suspend a man's business whilst he investigated a complaint against him?

Mr. ISAACS.—The Minister would have no power in regard to the repression of monopolies—that is all left to the Court.

Mr. WILSON.—It is another case of "trust the Court."

Mr. WILKS.—We have heard that suggested previously, but it is not our duty as a Parliament to trust too much to the Court. We must make our legislation express our intentions as clearly as possible, and not leave the Court to set matters right by placing its own interpretation on the Statutes. I think it will be most difficult to define what is destructive to industry

or detrimental to the community. I know of two monopolies in Victoria which the Attorney-General doubtless considers are of a beneficial character—I refer to the *Age* newspaper and Mr. "Jack" Wren. The *Age* has a monopoly of the political thought of Australia, and frightens the very life out of all the Victorian representatives both in this Parliament and in the State Parliament.

Mr. RONALD.—The honorable member does not know what he is talking about.

Mr. WILKS.—I have watched the course of events very closely since I have been in this House, and it appears to me that the *Age* has a monopoly of the political thought of Victoria. Mr. "Jack" Wren enjoys a monopoly of the "tote" business. Both these monopolies are harmful, and yet they would doubtless escape the provisions of the Bill. So successful are the proprietors of both these monopolies that I believe they are struggling to see who shall pay the highest amount of income tax. I am also credibly informed that one of these gentlemen is very much interested in a sugar refinery in New South Wales. That is why I desire to ascertain whether, in the event of that company being held to constitute a monopoly, it would come under the provisions of this measure. I would further point out that in the Bill three distinct terms are used, the first two of which designate the same thing, namely, producer, worker, and consumer. I was under the impression that all producers were workers, and I cannot understand how those terms can be differentiated. The title of the Bill is a very attractive one. It is a measure "for the preservation of Australian industries, and for the repression of destructive monopolies." What free-trader or protectionist is not pleased to see Australian industries preserved? It does not follow, because a man is a free-trader, that he does not wish to see a single industry established within the Commonwealth. It does follow, however, that he wants to see only those industries established which are natural to the soil, and which can stand without any adventitious aids. I am not prepared to see industries established at the expense of the general public.

Mr. MAUGER.—Nor is anybody else.

Mr. LONSDALE.—That is what the honorable member is after all the time, and he knows it.

Mr. WILKS.—I believe that what the honorable member for New England has interjected is correct.

Mr. RONALD.—What about the foreigner?

Mr. WILKS.—He can very well look after himself. In the course of the discussion upon this measure, repeated references have been made to the operations of the Standard Oil Trust. That company enjoys a monopoly not only in America, but in most European countries. Where it does not enjoy a monopoly in European countries, there are free ports. It is estimated that the earnings of the Oil Trust aggregate from \$50,000,000 to \$75,000,000 annually. But in their advocacy of this Bill, most honorable members have admitted that the reason underlying the strength of that combination is that it has captured the means of transport in America, and has thus secured enormous rebates. That condition of affairs cannot be realized in Australia, because here the railways are State owned. The Minister has said that the shipping combine grants certain rebates to individuals who ship exclusively by its vessels. We have had no evidence to that effect, so far.

Mr. CARPENTER.—The honorable member had better read the report of the Navigation Commission.

Sir WILLIAM LYNE.—He should peruse the reports of two Royal Commissions.

Mr. WILKS.—That is exactly what I wish to do. The reports of these Commissions should be laid upon the table of the House, before the measure is passed. The report of the Shipping Commission ought to show whether the shipping companies are exercising the power of making rebates, and of discriminating.

Mr. MAUGER.—The honorable member desires delay.

Mr. WILKS.—The honorable member's own leader—I refer to the honorable member for Bland—said that the Bill is scarcely worth the paper upon which it is printed.

Mr. MALONEY.—The honorable member does not understand what he said.

Mr. WILKS.—He certainly said that it will not be effective. If the honorable member for Melbourne believes in the nationalization of industries, he ought to pray that it will be ineffective.

Mr. MALONEY.—We want to do something.

Mr. WILKS.—The honorable member wishes to carry a placard—a headline—to

the people. The Minister, in an inspired paragraph, has told us that he will amend the Bill in certain directions. I venture to say that if it should ever emerge from Committee, nobody will recognise it. Of course, its title will remain unchanged, and that will satisfy the Minister. I think that the Opposition are performing a great service in pointing out the deficiencies of the measure. Before it is passed I should like to be afforded an opportunity to peruse the report of the Tariff Commission, so far as metals and machinery are concerned. The Minister will not care a fig for that report when once the measure has been passed.

Sir WILLIAM LYNE.—Yes, I will. I want an improved Tariff.

Mr. WILKS.—The Tariff Commission, which consists of an equal number of free-traders and protectionists, has been sitting continuously for eighteen months. It has conducted a most exhaustive investigation, which has cost the country £10,000. Here is a Bill presented for our consideration, which the report of that body may cut right into, and the Minister will not delay its passage to allow of the Commission's recommendations being placed before us. The honorable member for Perth regards the measure as a sham.

Mr. MAUGER.—He is a free-trader.

Mr. WILKS.—He is the representative of the Labour Party upon the Tariff Commission.

Mr. MALONEY.—Oh, no.

Mr. MAUGER.—He is the representative of the free-traders, but not of the Labour Party.

Mr. WILKS. — The free-traders entertain respect for the honorable member for Perth, even if the honorable member for Melbourne Ports does not.

Mr. MAUGER.—I did not say that I did not respect him.

Mr. WILKS. — The honorable member for Perth, as a labour representative, declares that the provisions of this Bill are a sham. The Tariff Commission has been inquiring into certain matters, with a view to demonstrating whether monopolies exist in Australia, whether the Tariff has been over-ridden, and whether there has been dumping. The Minister has refused to give us an illustration of the existence of any destructive monopoly, or of dumping operations. As the Tariff Commission has been unable to present the official report of the evidence which it has taken upon these matters, I can only rely upon the news-

paper reports of that evidence. Those reports, so far as I can recollect, do not disclose a single case, either of the existence of a monopoly or of dumping operations in Australia.

Mr. MAUGER.—If I show the honorable member one, will he support the Bill?

Mr. WILKS. — The mere fact of the honorable member showing me one would not suffice. During the course of the debate frequent reference has been made to Socialism; and it has occurred to me that Socialism is a trust writ large. All the evils associated with trusts attach to Socialism. I am in favour of this Bill up to a certain point, but I will not record a vote which will assist, not merely in sneaking in protection, but in drowning protection by a prohibitive Tariff.

Mr. MAUGER.—Does the honorable member know where he is?

Mr. WILKS.—The honorable member for Melbourne Ports knows where he is when he is attending a meeting of those patriots of Australia—the protectionists—at 66 Bourke-street, and when they are forwarding pamphlets through the post on His Majesty's Service. He knows where he is when he is booming protection and indicting epistles on behalf of the manufacturers. The usual method of dealing with measures of this character is to refer them to a Select Committee. But the best tribunal to investigate the questions involved in the Bill is the Tariff Commission. So far the evidence taken by that body has not disclosed the existence of a single monopoly.

Mr. HUTCHISON.—Then the Bill will not touch them.

Mr. WILKS.—Then why is the honorable member so anxious to pass it?

Mr. HUTCHISON.—We want to have it upon the statute-book for an emergency.

Mr. WILKS.—Only the other day the honorable member was one of the most cheerful in declaring his belief in the nationalization of industry.

Mr. HUTCHISON.—I believe that monopolies do exist in Australia.

Mr. WILKS.—Then why does not the honorable member cite a single illustration of them? Personally I am in favour of the repression of inimical monopolies.

Mr. HUTCHISON. — The shipping and tobacco combines are quite enough, to begin with.

Mr. WILKS.—The honorable member for Fremantle holds that the producers in

Western Australia are suffering from the effects of the rebate system.

Mr. CARPENTER.—The producers suffer all over Australia.

Mr. WILKS.—We may be able to deal with the Australian shipping companies, but I should like to know from the Attorney-General how we are to deal with shipping combines whose headquarters are in Great Britain. It should not be forgotten that the operations of foreign shipping combines are very much more injurious to Australia than are those of the local shipping combinations. While I am prepared to vote for the repression of destructive monopolies, I find that this Bill is a sham whichever way it is looked at. I believe that we have a right to ask for further information before proceeding with the Bill, and I therefore move—

That all the words after the word "be" be left out, with a view to insert in lieu thereof the words "not further proceeded with until after the Tariff Commission has presented its report on metals and machinery."

Mr. DEAKIN.—What has that to do with it?

Mr. WILKS.—I will be able to show the Prime Minister that this measure has a good deal to do with metals and machinery.

Mr. DEAKIN.—The Tariff Commission's report has nothing to do with this Bill.

Mr. WILKS.—I think that it has much to do with it. The members of the Tariff Commission have been inquiring into the conditions of industries using metals and machinery, and they comprise the largest manufacturing industries in Australia. There is no necessity to adopt the usual course of referring the Bill to a Select Committee, because, as I have said, the Tariff Commission have now before them the information which a Select Committee on the Bill might be expected to obtain. Two members of the Commission, one a member of the Opposition and the other a member of the Labour Party, have pleaded with the Government to allow the consideration of the Bill to be postponed until the Tariff Commission has reported, and only last week one of those honorable members gave us the assurance that the presentation of the Commission's report was within measurable distance. I cannot understand the anxiety of Ministers to force this measure through. We are not blocking the measure.

Mr. DEAKIN.—Honorable members opposite are trying to block it.

Mr. LONSDALE.—The evidence given before the Tariff Commission will show that the Bill is not needed.

Mr. DEAKIN.—How can that evidence show anything about monopolies?

Mr. LONSDALE.—It does.

Mr. WILKS.—No action is being taken to try to block the measure. Honorable members on this side have said that they are in favour of some of the general principles of the measure.

Mr. DEAKIN.—What has the Tariff Commission's report to do with destructive monopolies?

Mr. WILKS.—It may not have so much to do with destructive monopolies as with dumping.

Mr. DEAKIN.—Only one part of this Bill deals with dumping.

Mr. WILKS.—The Tariff Commission's report will affect Part III. of the Bill, and may to some extent deal with the question of monopolies.

Mr. DEAKIN.—It will affect no part of the Bill.

Mr. WILKS.—The Tariff Commission was specifically appointed to find out whether there were anomalies in the Tariff, and whether its effects were injurious to what were described by the Attorney-General as the "languishing industries" of Australia. We do not hear that phrase from the honorable and learned gentleman now, but last session the Attorney-General waxed eloquent in asserting that the languishing industries of Victoria called for an inquiry by a Royal Commission. We have had such an inquiry, and I desire to know if the members of the Commission have gathered evidence to show whether the industries of Australia are languishing, and, if they are, whether they are languishing as the result of any destructive monopolies. The Prime Minister has admitted that the reports of the Tariff Commission will have a bearing upon this measure, in so far as it deals with dumping.

Mr. DEAKIN.—Only as regards normal conditions. The Tariff Commission have endeavoured to discover the normal conditions of Australian industries.

Mr. JOSEPH COOK.—What abnormal conditions would render this Bill necessary?

Mr. WILKS.—I wish to know from the Minister what abnormal conditions exist to warrant the passing of such a Bill. The returns show that of the total value of our imports of goods under the Tariff division "Metals and Machinery," the products of

Great Britain are answerable for £4,000,000. In view of that fact, are we to understand that this measure is a slap in the face for the preferential trade with Great Britain, of which we have heard so much?

Sir WILLIAM LYNE.—The honorable member said £3,000,000 last time.

Mr. WILKS.—I said £3,480,000, and in round numbers I may say that British manufactures, under the division "Metals and Machinery," represent £4,000,000. We do not ask for economic teaching in connexion with this matter.

Mr. DEAKIN.—Honorable members opposite need it.

Mr. WILKS.—We have read the American authorities on the subject, and the Prime Minister need not be so conceited. He is not the only man who can read, nor is he the only man who can remember what he has read. We know the evils that exist in America, and if they existed here, or were likely to arise here, we should be prepared to vote for a measure to prevent destructive monopolies. I can say, on the subject of dumping, that, while I am prepared to fight Tariff battles as a free-trader, when a Tariff has been passed into law I am, as an Australian, prepared to see that it is given effect to. But we are asked, in this matter, to shut our eyes and swallow the Bill as it is presented. Perhaps the Prime Minister will not accept the statement that destructive monopolies are caused by people taking advantage of the privileges given them under high protective Tariffs. I submit my amendment, not as one who is an enemy of the Bill, but that we may be placed in possession of further information on which to deal with it. Apart from the speeches of the two Ministers who are most strongly interested in the Bill, the discussion upon it has only had the effect of damning it with faint praise. Those who have spoken strongly in favour of it have admitted that they do not believe that it will be effective. I wish to see such a measure made effective. I believe in State interference in these matters to the extent of control and regulation, and I say that if this Bill passes in its present form, and proves to be a failure, the honorable members of the Labour Party will accept no responsibility for it, and will blame both the Ministry and the Opposition for carrying an ineffective measure. They will say that there will still be mon-

opolies, and that we must try their panacea, which is State Socialism. As one who opposes their views on that subject, I should like to see this measure made effective, and, in order to do so, we must have further information. I am fortunate in having, in one portion of my electorate, the largest engineering establishment in Australia, and it is natural that I should like to see that industry progress. In spite of that, I have on no occasion voted for protection. When I hear people speaking of the Colonial Sugar Refining Company as a monopoly because it happens to be a successful concern, I ask to be shown that its operations are hurtful, before I vote for legislation which may injuriously affect it. I know that Mort's Dock and Engineering Company have, in certain classes of work, a kind of monopoly, but it is not a hurtful monopoly. By their use of the word "destructive" in this Bill, Ministers admit that some combinations may be beneficial. I believe that the operations of the Colonial Sugar Refining Company are beneficial. This measure, as it stands, will provide absolute protection, not for the workmen nor the small men controlling Australian industries, but for the big men. It will be no disgrace to the Ministry to delay the further consideration of this Bill. I have heard it said on the best authority this evening that the report of the Tariff Commission on metals and machinery will probably be in the hands of the Prime Minister in less than a week, and surely we cannot be accused of desiring to delay the consideration of the Bill, when we ask that we shall first be supplied with the information which will be contained in that report. I point out that the honorable and learned member for Northern Melbourne doubts whether this measure is constitutional, and he intends to move an amendment. Other amendments have been promised from honorable members on the Opposition side, and if the Bill is proceeded with before the Tariff Commission's report on metals and machinery is presented, the consideration of those amendments in Committee may give rise to greater delay than that which might be occasioned by the amendment I have moved.

Mr. CONROY (Werriwa) [9].—I beg to second the amendment which has been proposed by the honorable member for Dalley. I very much regret that the Bill has been brought before this House. I think that it is extremely necessary that it should be

postponed. We must remember that when this Bill was first brought before us, it was introduced by the present Minister of Trade and Customs simply and solely at the dictation of a manufacturer of harvesters in Victoria. But he was unable to succeed in persuading the House that that man ought to be allowed to exploit the farmers of this country. From the very moment when the Minister was foiled in his attempt to rob the farmers—from that very moment threats were issued to this House—

Mr. SPEAKER.—The honorable member must not charge the Minister, or any other member of the House, with attempts to rob the farmers or any one else. The honorable member must withdraw the remark.

Mr. CONROY.—I wish I could say—"in his attempt to plunder the farmers." However, I will withdraw the remark. The Minister himself then uttered a threat that he would take special steps that would have the effect of enabling a certain manufacturer to impose what price he liked.

Mr. SPEAKER.—The honorable member knows that the remark to which I have called attention must be absolutely withdrawn. If I understand him, he is now proceeding with his speech, although he has not absolutely withdrawn the remark.

Mr. CONROY.—I have withdrawn it, sir.

Mr. SPEAKER.—I am afraid that the honorable member substituted the word "plunder." That is not a withdrawal.

Mr. CONROY.—I withdraw the remark absolutely. Putting it in a different form, a threat was uttered that such legislation would be brought forward as would allow a manufacturer of that particular form of goods to exploit the farmers for his own benefit. This is the first attempt to carry out that threat on the part of the Minister. It is therefore somewhat surprising to me that when the Minister was making his statement in introducing the Bill, he said that he was the cause of the price of harvesters being brought down. I took the trouble to look up what the same Minister said when he took action and increased the valuation of certain harvesters. He said then that the goods of another man were being undersold; but we found out—in fact, I informed the House at the time—

Mr. EWING.—What he said was that the imported goods were not honestly invoiced.

Mr. CONROY.—Yes, he said that they were not honestly invoiced, but on inquiry made at the time, it was found that they were honestly invoiced. But I can further say, on the evidence of this man, McKay himself, that he obtained capital for his business by swearing to the person, or to the corporation from whom he obtained the capital, that he could make the machines at from £28 to £29 a piece, and sell them at the import price of £80 to £90. That was his statement, which showed that there was no undervaluation whatever, because at that time harvesters from America were invoiced by the Massey-Harris Company at between £30 and £40 a piece. The Minister of Trade and Customs, who had been in communication with the Canadian Minister of Trade and Customs on this subject, was well aware of those facts. He found out from his own inquiries that there was no under-valuation. But he, on his own initiative—at his own sweet will—and without any evidence to support his action, raised the Tariff on these particular articles to the extent of something like double the duty previously levied upon them. Three years before, speaking in this very House, I pointed out that if that power of valuation were given to the Minister, he—and I especially referred to the present Minister of Trade and Customs, saying that if such a man as he were in charge of the Department, he would without any evidence whatever, do exactly what he has since done. And I have no hesitation in saying that, if a power like that contained in this Bill is to be given to this man, we do not know where we shall stand. This is not a Bill for the preservation of Australian industries; it is a Bill for the preservation of Australian corrupt politicians. It is nothing more nor less than that.

Mr. SPEAKER.—I think the honorable member will see, on consideration, that, while it is bad enough to attack any individual member, it is still worse—it is intolerable—to make a general aspersion upon the character of politicians at large. I ask the honorable member not only to withdraw that remark, but to avoid repeating it in any shape or form.

Mr. CONROY.—I will withdraw the remark. Although we may say that what I have described is not intended at the present time—and no one supposes that any one is going to be venturesome enough to bring in a Bill with that sole object in view—we cannot help considering that legislation, unless it is well thought out and wisely framed, usually has the very opposite effect from what is intended. A strictly honorable politician ought to decline to exercise the powers cast upon him by a Bill such as this in its present form. Not only do I wonder that it should be sought to intrust any one with such power, but I am amazed that any politician should seek to have it for himself. If the provisions to which I have referred have crept in by mistake, the sooner they are knocked out by design the better. This is a Bill, not for the restraint of destructive monopolies, but for the repression of all sound and legitimate trading in Australia. The more I study this Bill, the more clearly I see that, supposing it to be prepared with an entirely honest purpose, the result would be entirely different from that which is intended. The measure would be destructive of all honest government, with such powers as it proposes to give to the Minister to do what he likes in determining whether trading is sound or unsound. It would be unjust to the Parliament itself to do such a thing, and would be absolutely destructive of all confidence throughout the mercantile community. No man would be safe from his neighbour if such a Bill as this were to pass. Any man having found out something about the business of another might send along to the Minister of Trade and Customs, and say that such and such a thing was being done, and then the precious Minister would appoint his precious Board—would appoint whom he pleased, remark! We will suppose that there is an honest Minister in office. He, however, may be succeeded by another Minister of a different character, when there may happen in this Commonwealth what has happened in America, in Canada, in New South Wales, and in Victoria—a Minister who is amenable to “argument,” and who of his own sweet will could levy blackmail on every large trading concern throughout the country.

Mr. CROUCH.—What Minister in Victoria did anything of that sort?

Mr. CONROY.—I am referring especially to an incident which happened in

connexion with the land laws in New South Wales seven or eight years ago. I was, I may say, one of those who took extremely strong exception to the powers given to the Minister in New South Wales to override the various Acts which had been passed by Parliament in relation to the administration of the lands. I was not in Parliament at the time, but, by writings and by conversations with various Members of Parliament—one of whom is a member of this House, and may remember the conversation very well—I prophesied that within the course of the next eight or ten years it was extremely likely that the result would be that, even if the Minister were not corrupt, the system would tend to corruption amongst the officials in charge of it. I pointed out that it would be almost impossible to escape from corruption, because men would pay a good deal for the sake of peace. Once we allow that sort of thing to be started, we never know where it will stop, nor what state of affairs will result. There is no question that in New South Wales the sort of thing to which I have referred has resulted; and the very Minister who selected the men against whom the gravest charges have been made was the Minister who is in charge of this Bill to-day. If you have a system of that kind, how can you expect anything but corruption?

Mr. CROUCH.—The honorable member referred to what a Minister in Victoria did, and said that he black-mailed the commercial community.

Mr. CONROY.—I was speaking with regard to lands in particular, and I said that under this Bill there would be an opportunity to black-mail the mercantile community just as under the New South Wales lands system there has been an opportunity to black-mail the land-owning part of the community. The principle is the same. In New South Wales a power was given outside that which ought to have been given. In fact, the Minister was set above Parliament. What happened was exactly what was prophesied by men who took the trouble to think. In our Customs Act we inserted a provision under which the Minister actually raised the duty on an article without any evidence to support his action, and even refused to allow the question to be brought before the Courts, where it could be determined, when he himself must know that the evidence of the men who are manufacturing harvesters would show that the valuation placed on

imported harvesters was greater than the price for which they themselves could manufacture them. He must know that, if he knows anything at all. But the Minister has been set above the law. What can we expect to happen under this Bill? Look at the Minister in charge of it! We all know that the Bill was brought in at the dictation of Mr. McKay. We were threatened that another Bill would be brought in, and it has been. Nothing has surprised me more than that the Attorney-General should allow himself to countenance a Bill like this after such threats as we have had. He is able enough to know what the Bill means. None knows better than he the dangers that lie beneath such a measure, and none knows better than he the improper uses to which it can be put. Instead of efforts being made to put an end to monopolies, we actually seek to create them. How? Merely by blocking competition. In all other cases it was always said that to block competition tended to create monopolies. When a former Minister of Customs, the right honorable member for Adelaide, brought in a Bill for the repression of destructive monopolies, how did he proceed! He proceeded to lower Customs duties so that fuller competition should be allowed to take place. That, at all events was an honest attempt to deal with the evil. It was the method which has been proposed in America, though it has never been brought into full play there. The same method has been adopted in Canada. At all events, some reasonable effort was there made to deal with monopolies. But in this Bill we have legislation of an absolutely novel character. One would have thought that, before something entirely new was introduced into the arena of politics, some effort would have been made to read up the history of monopolies. One of the bitterest fights in English parliamentary history took place about the year 1600, and the half-dozen years preceding, when Parliament had become strong enough to assert itself against the granting of monopolies which went on under Queen Elizabeth. The fight became so fierce that eventually Elizabeth had to make what was termed the "gracious concession" to Parliament that for the future those monopolies should not be granted. What happened then may happen under the Bill. The Minister may do just as he pleases, and all the damage may be inflicted when Parliament is not sitting. Just observe what has been

provided in some of the later clauses of the Bill. From the date of a simple *Gazette* notice it is provided that goods which are the subject of investigation shall not be imported except on such security, and subject to such conditions, as the Minister approves. The Minister will have decided the whole matter beforehand, he already having acted, or shown his willingness to act, on the advice of some party interested. According to clause 18, sub-clause 2, if the Board report that the imported goods do, or probably will, compete unfairly with Australian goods, the Governor-General, under the powers of the Customs Act 1901, may prohibit their importation, either absolutely or under such conditions and restrictions as he deems just. Really there may be a total and complete prohibition of the whole of the goods. The manner in which the Prime Minister, at the end of last session, sought to hurry through this measure, acting at the dictation of the Minister of Trade and Customs—who had been disappointed of a higher Tariff on some goods—was unworthy of any Minister who has ever been in power in Australia. Such a procedure is only worthy of a Minister who would go to Sydney and deny statements that every one of us in this House knew to be true, though we did not care to give evidence in the matter, not desiring to be mixed up in the proceedings involving what had taken place within these walls. Every one knew that what the Prime Minister was stating was not true, but that the words complained of had been used. Under the circumstances, what chance is there of a legitimate administration of a measure of this kind? It is proposed to prohibit trading; and, after all, what is trading? Trading may not add directly to the production of wealth, but it allows the fullest possible use to be made of wealth that is produced. If we did away with trading in Australia, I venture to say that half the people in the country would sink to a condition of poverty and misery without parallel except in parts of Russia—a condition in which half the comforts of civilized life would disappear. When we reflect on trade, and how slowly, and with what infinite pains, it has been developed, it should be the last institution in the world to suffer any interference. From the time when the country was peopled with savages, who, after cutting rough paths through the forests or traversing the rivers in their rude craft, exchanged little weapons and other articles, trade has

grown and developed, until now great vessels traverse the ocean engaged in the work of the exchange of commodities. Some of us welcome every extension in ship building, and of machinery to propel vessels across the waters at greater speeds, and less expense, so that our products may be carried to the markets of the world, and that we, in turn, may receive goods from elsewhere. Unless there is mutual exchange there is no trade. If we were compelled to export all and receive nothing we should be in the position of a people paying tribute which would be bitterly felt by us all. It is precisely because for every £1,000,000 worth of goods sent out, goods to the value of £1,000,000 must come back that we prosper as we do. Here we have a measure which is not framed in the interests of the great bulk of the producers. Out of all the products of Australia, roughly valued at £120,000,000, there are only £29,000,000 worth, or a little less than one-fourth, that will be affected by this Bill. If we take the value of the manufactures in New South Wales, which did not enjoy any duties, and were, therefore, in a natural state, and extend that average throughout the Commonwealth, we find that the value of the unaided manufactures is about £25,000,000 or £26,000,000, and that not more than £2,000,000 or £3,000,000 worth of manufactured goods can be affected in any way by duties. Yet the interests of the manufacturers of these goods, which represent, say, one-fiftieth or one-sixtieth of the products of Australia, are so paramount that their representations to the Minister are at once listened to. This House is asked to introduce legislation specially in their interest, and to hurry on that legislation before even we have had the reports of the Tariff Commission. That is a disgraceful state of affairs, and absolutely unworthy of any Minister, except, as I have said, a Minister who would go to Sydney and make the statements he did in one of the Courts. In the Sherman Act, of which we have heard a good deal, there was no proposal to do away with competition, and no contention that the way to repress a monopoly was to give another monopoly the field to itself. When the Wilson Act was introduced, it set out that a monopoly was any combination which tried to increase prices. That is entirely different to the proposed legislation before us, which seeks to prevent persons doing anything to lower prices. The

Conroy.

lowering of prices in our case is to be the evil, and one competitor may accuse another of underselling him. We know that this lowering of prices goes on all over the world, and is a legitimate way of carrying on business. How can business be carried on unless men try to produce at the lowest possible price? I ask those who are allied with the Labour Party, in what better way can labour be benefited, considering that workers have to sell their labour at the market price according to the law of supply and demand, than by getting full advantage of any lowering of the prices of commodities? If a man has to work only half-an-hour in order to obtain a certain commodity, that is certainly better than if he had to work one hour. Yet, according to this Bill, if there is any endeavour made to lower prices, the worker, who has to sell his labour according to the law of supply and demand, is not to be allowed any advantage, whereas the wealthy manufacturer, I presume, will have his demands heard. We could get no better proof of the correctness of the latter supposition than the statement of the Minister of Trade and Customs himself, when introducing the Bill, that he had already consulted Mr. McKay, at whose instigation he acts, in reference to the harvester. Mr. McKay represents a fairly large combination, and has done so uncommonly well out of his machines, that he should not be allowed to obtain any more advantage than he can legitimately claim as the reward of his industry. The Minister of Trade and Customs next interviewed the manager for Sir George Newnes and Co., who represent a capital of some £600,000 or £800,000; and I hope that honorable members will note how solicitous the Minister of Trade and Customs is to interview only men like that. The Minister did not think there was anything peculiar in his interviewing those gentlemen, but regarded it as a very natural course for any one in charge of a Bill of this kind to take. But is it not only human nature on the part of persons interested to get the Bill so framed as to squeeze what they can out of the public? As if they, considering the large sum of money invested, were not already squeezing a good many of the small men out! As if the appropriation of practically the whole of the land which contains shale is not in itself a sufficient monopoly! Yet the Minister interviews such men, and

then asks us to support him in what he is doing in their interests. To my mind, the Labour Party has never occupied a more unenviable position than at present. Fully one-half of the Labour Party know that the Bill is not in the interests of the workers—that everything that tends to render it difficult for people of small means to get along, plays into the hands of the large combination. With that knowledge, it is dreadful that those members of the Labour Party should be controlled and led about, as they are, by men like the present Prime Minister. Many revilings, insults, and opprobrious epithets have been heaped on the Prime Minister; but it cannot be doubted that he to-day sways the Labour Party, and that they dance as he whistles. They follow him with a fortitude and devotion worthy of a better cause. However a Labour member may deride a Ministerialist, the latter has always the retort, "You were three to two against us, and yet you could not find amongst you a man to fill Mr. Deakin's position, and now you have to do exactly what he tells you to do." I do not wonder that the Labour Leagues outside, seeing the anomalous position of the labour representatives here, are raising their voices in protest against it. Whatever those representatives may say, we know what their actions will be, and, as the Government have said that they intend to put this Bill through, the Labour Party will see that it is put through, although they must know that its provisions will injure the interests of the workers. Does the measure contain a clause providing for the maintenance of the wages of the workers? There is not a word in it which relates to that subject. Is there anything in the Bill to provide for the safeguarding of the interests of the workers? Not a syllable. Everything is to be given to the men who already have a big enough fortune. The Labour Party is supporting the Bill because the man who framed it had the artfulness, or the cleverness, to name it a Bill for the preservation of Australian industries, and for the repression of destructive monopolies. We are told that the title describes its true object and intention, but we know that its effect will be very different. Nearly four years ago, when the Customs Bill was being considered, I said that if the honorable member for Hume ever became Minister of Trade and Customs, he would take advantage of one of its provisions to prevent men from having a remedy at law for

action taken by the Department, and my words have come true. Are we going to give the honorable gentleman still further powers? I pity many members of the Labour Party for the position in which they are placed. Ministers have them by the nose until the end of this Parliament, and do as they like with them. They may go through the country declaring what they will do; but we know that, no matter how largely they may talk about dictating to the Government, they will not vote against a Government proposal. Inferior as the Ministerial Party is to the Labour Party in point of numbers—and we are told in point of ability, too—the members of the Labour Party have humbly to obey the commands of the Ministry.

Mr. SPEAKER.—Is the honorable and learned member discussing the amendment?

Mr. CONROY.—I have departed a little from the question before the Chair. According to paragraph *b* of clause 6, competition shall be deemed to be unfair if it "would probably, or does, in fact, result in a lower remuneration for labour." Is there any new invention whose introduction will not, for a time, at any rate, result in a lower remuneration for the labour engaged in the industry to which it is applied? I could name a thousand instances in support of that statement. Does not the House remember the history of cotton spinning? Do not honorable members know that the cotton jenny displaced thousands, and resulted in lower rates of wages until new trades came to be established? But the advantage to the public of the discovery of better means of making cotton and linen has been incontestable. Similarly, the introduction of machinery for the spinning of yarns threw hundreds of unfortunate weavers and others out of employment. If it were proposed to introduce machinery which would have the effect of saving labour, the provisions of the Bill, supposing it to be in force, could be used to absolutely prohibit its importation.

Mr. SPEAKER.—I ask the honorable and learned member to connect his remarks with the amendment. That, and not the main question, is now before the Chair.

Mr. CONROY.—I wish to point out that the consideration of this measure should be postponed until we have the report of the Tariff Commission on the effect of the present duties on manufactures of metals and machinery. We do not know what

evidence is being taken by the Commission. It may be that machinery is now being introduced which will have the effect of displacing labour in certain Australian industries, but will ultimately benefit the public as greatly as the spinning jenny has done. We know how great an advance motor traction has made, and it may be that motor waggons are now being introduced which will supersede horse waggons, and greatly reduce the earnings of harness-makers and others. The provisions of the Bill are drawn so loosely that any man whose business is affected by these importations could, if the Bill became law, ask for their prohibition, although motor waggons may prove the salvation of many of our farmers, and may make available for cultivation thousands of acres of land which now, for lack of railway communication, cannot be profitably used. If there is one thing to which we can usefully turn our attention it is, surely, the helping of the people on the land. The best help we can give them is by seeing that they are allowed to obtain the up-to-date machinery as cheaply as possible, and by informing them as to the most approved methods of production. Any other interference will probably result in evil. What is necessary for the production of wealth? Is it not land, labour, and capital? Without capital men cannot maintain themselves and their families while they are awaiting their first harvests. We have plenty of land in Australia. Let us see if we cannot give our people full and free access to it by abolishing the laws which allow the dead to bind the living, and restrict the area of land which comes into the market. We have also labour, and I am satisfied that we have capital, while more capital can be introduced in the shape of machinery for the development of the country. Having land, labour, and capital, we have everything necessary for the production of wealth, and all that can be asked for is that each man shall be allowed to obtain the full results of his labour. No man has a right to ask for the passing of repressive laws intended to protect him, so that, at the expense of his neighbours, he may be shielded from competition.

Mr. WEBSTER.—Is the honorable and learned member going to vote for the second reading of the Bill?

Mr. CONROY.—I am not. If the honorable member has not gathered so much from my remarks I have spoken to very

little purpose. I shall not vote for a measure whose effects will be entirely different from its professed intentions. Does the honorable member think that I am out vote hunting, and, to secure votes, would support a measure which is merely empty verbiage? It would be more difficult for me to explain the provisions of this measure to uninterested voters than to say right out that I opposed it because they were worthless.

Mr. WEBSTER.—The honorable and learned member is a splendid exception on the Opposition side.

Mr. CONROY.—I hope not.

Mr. JOHNSON.—He will not be alone.

Mr. CONROY.—A number of honorable members hold the view which I hold, and will have the courage to do as I shall do.

Mr. WEBSTER.—The speeches do not indicate it.

Mr. CONROY.—A severe attack of influenza prevented me from attending last week, but I was sorry to read some of the statements made here, because of the need for instruction which they disclosed. I can think of no improvement in machinery which has not caused suffering to those engaged in the industry to which it has been applied. The fact that the introduction of improvements displaces labour, and causes misery and depression, has been so obvious to human intelligence that, in times past, desperate efforts have been made to restrict competition. To such a degree have these efforts been carried that, in France, even after that kingdom had been under one sovereignty for more than 200 years, and much of it for 350 years, trade was still restricted to certain towns, and whole provinces were not allowed to trade with other provinces. There might be peace and plenty in one province, and absolute starvation in another, and yet, under the laws, no amelioration was possible, and, in fact, the French Revolution had to take place before all these terrible barriers between province and province could be broken down.

Mr. SPEAKER.—I think the honorable and learned member is now utterly disregarding the amendment.

Mr. CONROY.—I have been giving reasons for postponing the consideration of this Bill. If the amendment were carried, it would have two effects. In the first place, we should have the opportunity of discussing the provisions of the measure in the light of the evidence given before the

Tariff Commission, with respect to the importations of metals and machinery. I need not go so far as France for an instance such as I have been citing. I could show how we absolutely prevented one of the great States, whilst suffering from the effects of an extreme drought, from obtaining its supplies of provisions except from the other States of the Commonwealth. If those honorable members who are responsible for the introduction of this Bill had, on a previous occasion, acknowledged that an increase of prices would injure the consumer, what a fine thing it would have been. They would then have immediately lowered the Tariff in order to enable those who were suffering from the drought to retain some money in their pockets, instead of leaving them without a sixpence with which to bless themselves.

Mr. WEBSTER.—The honorable member knows that the majority of the squatters had no money with which to buy food for their stock.

Mr. CONROY.—Then their stock died, and they are now paying the penalty. A Bill of this kind would only have tended to intensify the evil of which I have been speaking. I do not suppose that that is the purpose of the Bill, but I am merely showing how far the measure departs from the lines of sound legislation. Let me put a case. If, during a drought in New South Wales, certain men in Queensland and Tasmania entered into a combination with a view to selling potatoes at a lower price than they could be placed on the New South Wales market by the local producers, a complaint might be made that they were lowering prices, and should be punished under the terms of this Bill. It may be urged that no such case would arise, but we have had such things as, what I may call, food combines. We certainly had a combine of that character in New South Wales during the last severe drought, when all the hay and maize was bought up in advance. Do I not remember very well that the late Premier of New South Wales expressed his indignation in the strongest terms at the suggestion that the duties upon fodder should be suspended in consequence of the drought, and that it afterwards transpired that he was interested as a produce merchant with others in buying up all the wheat and other produce that he could possibly lay his hands on. This kind of legislation would merely promote that kind of thing. The Tariff

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Commission was appointed to inquire into a number of matters that in some way or other bear upon this point, and there is abundant reason why we should wait until we have before us the whole of the information that they have been able to gather. It may have been ascertained by the Commission that the man in whose interest this measure was framed has made a profit of £30,000 or £40,000, owing to the higher prices that he has been able to charge the farmers. It may also have been ascertained that he has sold machines for export at a lower price than he receives for those which are purchased locally. I cannot say, because I do not know. But I have been told on the very best authority that when he was endeavouring to induce certain persons to put capital into his business, he stated that the machines could be produced for about £28 each.

Mr. JOHNSON.—For less than that.

Mr. CONROY.—I do not know that. Yet we have a Bill framed practically in the interests of the one person referred to, and perhaps two or three others. It is not for a moment to be supposed that the measure will confer benefit upon many others. It is partial legislation of the very worst kind. Surely the manufacturer to whom I have referred does not pay his men more than they are worth—he is not running a charitable establishment. Why should we not wait until we can read the evidence of the Tariff Commission, and ascertain the exact position? It may be shown that some trades are enjoying protection to a larger amount than is represented by the whole of the wages paid by them in carrying on their operations, or that the cost of bringing machinery from other countries is more than equivalent to the outlay for wages in the production of similar machinery in Australia. I know of half-a-dozen cases to which such statements would apply, and there may be other instances of which I am not aware. At any rate, there is every reason why we should wait, and why we should refrain from rushing through a Bill of this character.

Mr. HUGHES.—Does the honorable and learned member propose to vote against it?

Mr. CONROY.—The honorable and learned member knows me too well to dream that I could vote for it. Even if an honest name is attached to a dishonest Bill I shall not be induced to vote for it. I regard this measure as a public "take-down." Is the honorable and learned member going to support it?

Mr. HUGHES.—Yes. I have read the measure, and I do not think that the honorable and learned member has done so.

Mr. CONROY.—If the honorable and learned member reads, marks, and inwardly digests the Bill he will certainly vote against it. As I have already pointed out, nothing new could be introduced into Australia if the provisions of the Bill were strictly carried out. Suppose, for instance, that we had no Wireless Telegraphy Act such as is now embodied in our statute-book, that our telegraph lines were under private control, and that it were proposed to introduce wireless telegraphy into Australia. That system of transmission would undoubtedly have become a commercial success long before this if it had not been for the hindrances placed in the way of experiments, because of the telegraph systems being so largely in the hands of the various Governments. It is because of this fact that the development of the invention has been much slower than would have been the case if those interested in it had been afforded fuller opportunities for testing it. If, as I say, our telegraph systems were in the hands of private companies, and it were proposed to introduce wireless telegraphy, we should find the telegraph companies going to the Minister and saying: "It is proposed to introduce a system of telegraphy which will do away with the thousands of poles that are used under present conditions. These poles have to be cut in the forests, and if it becomes no longer necessary to use them hundreds of men will be thrown out of work. It will also be possible to dispense with the wire which now has to be manufactured out of iron and afterwards to be galvanized. If this is done thousands of men who are now engaged in digging the ore out of the ground and in providing the coal that is necessary for smelting the ore and producing the iron, will be thrown out of work. The new system should be excluded, because it would result in lowering the remuneration of our workers." Such a condition of affairs would naturally arise under the provisions of the measure. Then, again, it is provided that if competition would result in the disorganization of Australian industry, and in throwing workers out of employment, it could be dealt with under the Bill. No consideration would be paid to the additional number of men that might obtain employment under the new conditions. It seems to me that an attempt is

being made to build a Chinese wall of restriction round the Commonwealth, and to render it absolutely dead to all progress. Who would suffer from such a state of things? Which class has advanced most as the result of free competition? If it had not been for the operation of the law of competition, how many honorable members of the Labour Party would now be occupying their places in this House to-day? I do not know that any of them are of high birth, that they can boast of long lines of ancestors which should entitle them to popular favour, or that they can claim that they possess any great wealth. The law of competition has asserted itself and broken down the law of caste, and honorable members of the Labour Party ought to acknowledge that the very best thing that could happen would be to allow competition to have free play. Of course, competition has its hard and cruel side, as everything else has, but it has minimized the great mass of evils which afflict the public. When we say that this measure will restrict advancement we may be told that Ministers would not do this, or that, or the other. But I would ask whether all politicians are to be regarded as wise? Have they such a name for wisdom that it is not to be supposed that they will make an unwise use of the laws? Do we not hear remarks on every hand with regard to the want of commonsense on the part of the representatives of the people? That, of course, is the fault of the electors. If they cannot make a proper estimate of the value of one set of brains as against another, they must pay the penalty. I cannot understand why members of the Labour Party should suppose that a law of this kind would operate for the benefit of the workers. If they desire that the workers should be protected, they should insist that those who receive the benefit of the measure shall be called upon to show that they pay not only the ruling rate of wages, but the ruling rate plus the amount of the duty of which they receive the protection. If there is to be prohibition, let the worker receive the full benefit. I do not believe in the nationalization of industry as a general principle, but I can quite conceive that the results, though bad in many cases, would be better than those which would follow from the operation of a measure such as this. At all events, there would be an attempt made to secure justice. This Bill is ad-

mittedly introduced to benefit a very small section of the community—the section which is already so wealthy that it practically control certain manufactures.

Mr. HUGHES.—The Crimes Act is aimed only at one section of the community.

Mr. CONROY. — Surely the honorable and learned member does not place labouring men and criminals upon the same footing? It is manifest that the Bill will create trusts. We are asked to listen only to the complaints of the wealthy manufacturer. To the small men we are not asked to extend any consideration. I venture to say that when the reports of the Tariff Commission are presented, we shall find scores of instances in which the sacrifice made by the rest of the community in bearing this load of taxation does not benefit the worker, but only the individual who is possessed of the greatest amount of capital.

Mr. JOHNSON.—The Minister is afraid to allow us to see the reports of the Tariff Commission before we pass the Bill.

Mr. CONROY.—We are not to be allowed to see the reports of that body lest it should be shown that the Minister's solicitude for the welfare of these wealthy gentlemen has been misplaced. Could there be anything worse? Doubtless the reports of the Tariff Commission will show that there is a growing tendency on the part of trades to consolidate, and for their control to pass either into the hands of a combine or of some organization of individuals. In Germany the various trades seem to be passing into the hands of syndicates who are controlling them.

Mr. WEBSTER.—Does the honorable and learned member think that is a good thing?

Mr. CONROY.—I do not.

Mr. WEBSTER.—What would the honorable and learned member do in regard to such combinations?

Mr. CONROY.—I would allow them a little more freedom. The evil effects of trusts are infinitely worse in countries in which restrictive methods have been employed to cope with them, than they are elsewhere. Therefore I say, "As all our restrictive efforts having failed, let us try the effect of a little freedom." As Members of Parliament, what are we but trustees for the whole of the people? Why should we say to one set of beneficiaries, "If you do such and such a thing, we will keep you going at the expense of other citizens, whose interests ought to be equally dear to us." Few honorable members understand a simple

proposition of this kind better than does the Attorney-General, and I am sorry indeed that he has not seen fit to espouse the cause of the struggling masses. His abilities would have enabled him to achieve a great deal in that direction. Who have they to plead their cause now that the majority of the Labour Party are deserting them? I think it is *Chateaubriand*, in his *Memoirs*, who says—

Depend upon it that any legislation introduced except it is founded upon morality and justice will always have a directly contrary effect to that intended.

Can it be urged that this legislation is founded upon a spirit of justice, seeing that we are singling out one class for preservation at the expense of the rest of the community? Can it be said that, as a Parliament, we are working upon lines of morality when we are considering only the interests of those who are well able to take care of themselves? I submit that it cannot. By so much as we depart from the great principles of morality and justice, by so much will the legislative result of our efforts be exactly contrary to our intentions. All history teaches us that that is so. How dare honorable members call any undertaking an industry if it is not self-supporting?

Mr. KENNEDY.—To what industries is the honorable and learned member referring as being self-supporting?

Mr. CONROY.—The agricultural, the pastoral, the mining, and a great portion of the manufacturing industries of Australia are in themselves self-supporting. If they are not, does the honorable member suggest that they are kept alive by the wisdom of Parliament—by the sagacity of a lot of men who do not know how to successfully conduct even their own affairs?

Mr. KENNEDY.—They are kept alive by means of State assistance.

Mr. CONROY.—Then State assistance must call down something from heaven. What a remarkable confusion of ideas must exist when an honorable member, who is in a position to legislate in this House, does not understand that a Parliament is merely a committee chosen from the people of the country? Just as a collection of farmers cannot double the wealth of any district, so we cannot help anybody unless we take from other citizens. What fund have we upon which we can draw except that which has already been earned by citizens in their private capacity?

Mr. KENNEDY.—That is not the point that I raised.

Mr. CONROY.—In New South Wales the State takes from the people £12,000,000 annually, and returns them £5,000,000. Then it says, "Look how good I am to you!" In Victoria it takes about £7,000,000 from the people, and gives them back work which is worth about £2,000,000.

Mr. KENNEDY.—That is not correct.

Mr. CONROY.—It does not give them back more than one-half of the amount that it takes.

Mr. KENNEDY.—It does not collect £7,000,000 from the people in Victoria. It does not collect more than £2,000,000 in taxation.

Mr. CONROY.—Then of that £2,000,000 I will say that it does not return them anything. No Parliament can hand anything back to anybody unless it has first collected it from somebody who has earned it.

Mr. KENNEDY.—Which are the self-sustaining industries, the honorable and learned member refers to?

Mr. CONROY.—I mentioned the pastoral, the agricultural, and the mining industries. I might add also the bulk of the manufacturing industries.

Mr. KENNEDY.—All of which get large assistance from the State.

Mr. CONROY.—Might I ask the honorable member where the State derives the means to give them assistance?

Mr. KENNEDY.—That is not the question.

Mr. CONROY.—If the honorable member waits until we receive the report of the Tariff Commission, he will probably find out how it is that the State is enabled to give the assistance of which he speaks. It is done by taking from the citizens the means of that assistance. I suppose that every person in this Commonwealth is paying his contribution to the fund. How many get their share back. We are all, including women and children, taxed to the extent of from £2 to £3 per head. Will the honorable member for Moira tell me how many get their share of that taxation back? If he desires some enlightenment on the subject, he has only to wait for the report of the Tariff Commission to find out how many citizens are despoiled of their share, and to find also that it does not go always to the State, but often directly into the pockets of certain interested individuals. It is against that spoliation that I protest.

I protest against this Parliament being asked to use all its powers in the interests of one section only.

Mr. WEBSTER.—Then the honorable and learned member should support this Bill.

Mr. CONROY.—If the honorable member for Gwydir has not gathered that this Bill will have exactly the opposite result to that intended, I cannot help it.

Mr. WEBSTER.—I say that the honorable and learned member misunderstands the Bill.

Mr. CONROY.—I made a prophecy three or four years ago as to the effect of the Customs Act, which has turned out to be correct, though we have not seen its full effects yet. I have no hesitation in making a prophecy in connexion with this measure. I am certain that still more evil results will follow it. By a regulation under the Commerce Act, cornsacks of an inferior nature were required to be branded as such. The farmer requires a cornsack only to hold his corn until it gets to the market. He gets no return for the sack, and is only so much out of pocket in having to provide it. He does not, therefore, desire to give one farthing more for it than he need. So long as it will carry his corn to the market, or to the ship's hold, he is satisfied. The cheaper he can get cornsacks, the better for him. I point out to honorable members that the legislation intended to benefit him has had the direct result of raising the price of cornsacks by one shilling a dozen.

Mr. KENNEDY.—What was done was not done by legislation, but by a regulation of the Reid-McLean Government, and it had no effect whatever on the price of cornsacks.

Mr. CONROY.—I do not care where, or by whom, it was done, but it is only another instance of the stupid legislation which is being continually passed by this Parliament.

Mr. KENNEDY.—And the farmers of Australia are clamouring to have it more strictly enforced than it is at the present time.

Mr. CONROY.—Because cornsacks are now 7s. 3d. a dozen, the honorable member for Moira wishes us to believe that the farmers are clamouring that they should be 9s. 3d. I know two men who are delighted with what has taken place, because they have done very well out of it. I

have no doubt that they are ready to make more out of the business.

Mr. KENNEDY.—What was done had no influence upon the value of the sacks.

Mr. CONROY.—Then I say the honorable member must be absolutely unaware of what has taken place. I know to the contrary. I know two men who speculated in the matter, and who have done very well. One man, knowing that our sacks were not the same as those of the rest of the world, managed to get a corner in them, and so reaped a big profit, and when it was subsequently provided that other sacks could be used, he made extra money out of the alteration.

Mr. KENNEDY.—Will the honorable and learned member explain how it is that the rise in price occurred before the regulation was put into force?

Mr. SPEAKER.—I am afraid I could not allow the honorable member to do that. It is as well that the House should understand the position. At the present time we are not discussing the Bill on its merits at all, but simply the desirability or otherwise of postponing the further consideration of the Bill until after the Tariff Commission has reported on metals and machinery. I ask that honorable members in their interjections, as well as the honorable member who may happen to be speaking, shall not consider that occasional references, which are dragged in, to the Tariff Commission, satisfy the needs of the case. There must be a constant connexion between the remarks of the speaker and the proposal that the further consideration of this measure should be delayed until the Tariff Commission has reported on metals and machinery.

Mr. CONROY.—It is my firm resolve to vote against the Bill. I shall vote against the name given to it, because, having looked through the measure, I know it will have the directly opposite result to that proclaimed by its name. In fact, to name the measure in this way is merely to dupe the public. Very few of us are able to estimate the dangerous and evil effects it will yet have. We are being asked to place a power in the hands of the Minister, which was only wrested from the King in times past by infinite trouble on the part of the people. It was only when the spirit of freedom began to be awakened in the minds of the people that they began the struggle to wrest that power from kings, princes, and nobles, who fought zeal-

ously to retain it. Those persons, however, gave it no untrue name, and consequently they were unable to dupe the whole of the community. I trust that the spread of education amongst us is such that there will be thousands of people in Australia able to recognise the dangers of this measure; that fair words butter no parsnips, and that they consequently will not swallow a thing like this, simply because of the name given to it. We have the statement of the Prime Minister that the measure is introduced only to deal with an abnormal condition of affairs. If that be the purpose of the Bill, where is the necessity for haste in passing it? Why can it not be delayed until after the presentation of the report of the Tariff Commission on metals and machinery, and we are given some opportunity to consider the evidence obtained by the Commission? If this Bill is to deal only with abnormal conditions, no honest reason can be given for the haste shown in proceeding with it. If it is being passed to placate some individual, if it is in fulfilment of a promise given to him when the Minister of Trade and Customs found that he was unable to override the Customs Act altogether, and could not shut out all competition in the matter of harvesters, then we can understand the reason for this haste. But it is a terrible state of affairs if a number of Members of Parliament allow themselves to be at the beck and call of any individual outside. Let us have the report of the Tariff Commission on metals and machinery, and postpone the further consideration of this measure for a week or ten days. Even now, though it is six months since last December, when we were told there was a crying necessity for that measure, the Prime Minister and the Minister of Trade and Customs are not able to name one industry in which danger has arisen, or is likely to arise. After having had six months in which to collect evidence from the various people interested, they are not able to bring forward one case and say, "Here is evidence on which we can act." If there is one case, I have never heard of it.

Mr. WEBSTER.—Has the honorable and learned member read the Minister's speech?

Mr. CONROY.—I heard it all, and I will not say what I thought of it, except that it was exactly in keeping with the Minister's history, conduct, and past career. We heard from the honorable gentleman how he waited on individuals representing

wealthy companies here and there to find out what he should do on their behalf. That was deplorable to listen to. There are a number of Labour members supporting this measure who are faithless to their name. However they may deride and spurn the Prime Minister, it is clear that he is their leader, and has them all under control. I trust that a Bill like this may be the means of bringing about a revolt on the part of those members of the party who are anxious to put an end to this state of affairs, and to the control exercised by a man whom they hold up to derision and yet slavishly follow on every measure he brings before the House. This Bill is in itself a sufficient justification for every member of the Labour Party to break away from every promise of support given to the Prime Minister. If they understood rightly their duty to the people, they would consider the introduction of this measure a sufficient warrant for going round the country uttering maledictions upon the Ministry who bring in such a measure.

Mr. WEBSTER.—Would not the honorable and learned member advise benedictions?

Mr. CONROY.—I shall be prepared to give the honorable member for Gwydir my benediction when I find that he deserves it. The honorable member will show me that he deserves it by waking up to some sense of the enormity of this measure. Whatever his opinion of it may be now, let him wait until we are given an opportunity to see the evidence placed before the Tariff Commission. It is true that the bulk of it is the evidence of interested parties who desire that higher duties shall be forced upon the country, of people who are anxious to see Parliament use its power to help them, but who would be the first to squeal if Parliament should say, "You have demanded profit for yourselves, and we shall now demand profit for the workers." I believe that the perpetration of injustice upon any class can never advance the interests of the country. That is why I am against the whole of this business. In this case we are advocating the interests of the great bulk of the workers. They have to sell their labour in the market, and there is not a single provision in this measure to safeguard their interests. There is nothing in the Bill about raising their wages or helping them. There is everything in it about raising the profits of the manufacturer which might otherwise be interfered with. Everything is to depend simply and solely on the wealth one has

and the power with which he can make representations to the Minister. And the very man who refuses to distribute his profits amongst his workmen is the man who, under this system, will have most authority in making such representations. It is a pretty state of affairs, indeed. In times past people bowed down to landlords, and now they bow down to manufacturing lords. The spirit of serfdom seems to be so implanted in many persons that they are unable to get off their knees and to cease cringing and crying to wealth, in whatever form it takes. They talk loudly, but where are their actions? By every effort and means in their power they should resist these measures to give unjust advantages to the man who already hath, and from him who hath not, take away even that which he hath.

Debate (on motion by Mr. JOSEPH COOK) adjourned.

Sir WILLIAM LYNE (Hume—Minister of Home Affairs) [10.27].—I move—

That the resumption of the debate be made an order of the day for to-morrow.

I wish to say that I had a conversation with the deputy leader of the Opposition, and I understand that the debate will be concluded to-morrow.

Mr. JOSEPH COOK.—This stage.

Sir WILLIAM LYNE.—Otherwise, I should wish to continue the debate later to-night. In the circumstances, I have no objection to the adjournment of the debate, but, whilst I do not wish to rush the measure, I do not desire that its passing should be delayed too long.

Question resolved in the affirmative.

ADJOURNMENT.

QUESTIONS—ALTERATION OF *Hansard* REPORT.

Motion (by Sir WILLIAM LYNE) proposed—

That the House do now adjourn.

Mr. JOHNSON (Lang) [10.28].—I desire to direct the attention of the Government to a practice which has grown up of late in furnishing answers to questions, and especially to questions put by members on the Opposition side of the House, of using language which is almost discourteous, and of answering some questions, which should be answered fully, with a curt "Yes" or "No." Many of the questions which are asked demand a fuller answer than a direct

negative or an affirmative. I should like the Government to request their officers, when furnishing information in answer to questions by honorable members, to be as courteous as possible, and not to confine the answers to a curt "Yes" or "No," unless that is a complete answer to the question put.

Sir WILLIAM LYNE.—Would it not be better for honorable members on the Opposition side to give notice of the questions, in order that they may be completely answered?

Mr. JOHNSON.—I am speaking of questions of which notice has been given. I have put several questions on the business-paper, and have found it necessary to follow them up later on with others, because of the incompleteness of the answers given to them, and sometimes because of direct evasions. The matter is one which affects, not honorable members on this side alone, but in every part of the House, and it also concerns the privileges of honorable members.

Mr. FRAZER.—Perhaps if Ministers, instead of saying "yes" or "no," said "yes-no," the honorable member would be satisfied!

Mr. JOHNSON.—I am speaking in the interest of all honorable members in bringing this matter forward.

Mr. WEBSTER (Gwydir) [10.31].—I desire to bring under your notice, Mr. Speaker, a matter which seems to require attention, and that is the editing of the speeches of honorable members before they are published in *Hansard*. A striking illustration of that occurs in the last number of *Hansard*, wherein is published the speech of the honorable member for Parramatta, delivered in this House last week on the Supply Bill. He said, in reply to an interjection, that he had never signed any pledge to any party. That reply was definite and distinct—that he did not sign any pledge to any party. It was made on two occasions, and reported in the daily press. But I find that that reply is not recorded in the *Hansard* report, and that the method of Mr. Close, in New South Wales, has been adopted here—that the honorable member has no recollection, and that his memory fails. I think that *Hansard* should be a true record of what is said by the members of this House; and whatever honorable members may do with regard to altering the verbiage of their remarks, they should not be allowed to take

out of a report essential matters that have been openly stated and amplified in speeches in this House.

Mr. JOSEPH COOK (Parramatta) [10.33].—The honorable member for Gwydir has made some references of a grossly insulting character—of an odious character, so far as I am concerned.

Mr. WEBSTER.—What?

Mr. JOSEPH COOK.—The honorable member did so, in making references to Mr. Close, of New South Wales, and applying them to circumstances like these. The honorable member must have a mind which thinks upon an extremely low level, when he will drag in a reference of that kind here.

Mr. WEBSTER.—It is only the system adopted that I referred to.

Mr. JOSEPH COOK.—The honorable member ought to be a good judge of what is right and proper, as I have no doubt he is. Allow me to say, Mr. Speaker, that I deny altogether the statement which the honorable member has made to-night.

Mr. WEBSTER.—It is true.

Mr. JOSEPH COOK.—It is not true in any particular.

Mr. KELLY (Wentworth) [10.34].—I am rather surprised at the action of the honorable member for Gwydir in this connexion, because I have the keenest recollection of that honorable member having approached me last week and asked me to leave out of my proofs from *Hansard* an interjection of his own which appeared in a speech of mine.

Mr. WEBSTER.—That was not an important matter. It related merely to a misunderstanding.

Mr. KELLY.—I wish to do the honorable member justice. He said that he had misunderstood some remarks of mine.

Mr. WEBSTER.—That is right.

Mr. KELLY.—I at once accepted the honorable member's statement, and on his request that my remarks on that interjection should not appear in *Hansard*, I put a note against the report of my speech, and informed *Hansard* that the honorable member wished those remarks to be omitted, leaving it to the discretion of *Hansard* as to whether they should be omitted or not.

Mr. CONROY.—If they were of a personal nature that is right.

Mr. KELLY.—But I do say that it appears to me to be singular that such remarks as those to which we have just

listened should emanate from an honorable member who only last week connived at the editing of *Hansard*.

Mr. JOHNSON (Lang) [10.35].—In reference to the matter which the honorable member for Gwydir has just brought up, I should like to say—

Mr. SPEAKER.—The honorable member for Lang has already spoken to this question.

Mr. JOHNSON.—I merely wish to say that I heard the honorable member for Parramatta qualify the remark to which the honorable member for Gwydir has called attention.

Mr. SPEAKER.—As the first remarks of the honorable member for Gwydir were addressed to me, I should like to inform the House what the position really is. No alterations of *Hansard* are permissible, but corrections are allowed. That is to say, any honorable member is at liberty, as he goes through his *Hansard* proofs, to make any corrections which will bring the report into closer agreement with what he actually said. But alterations of *Hansard*—that is to say, changes in the sense of what has been said, so that the *Hansard* report makes an honorable member say something which he did not say, or something of a different tenor—such changes as that, which I deem alterations, and not corrections, are not permissible, and ought not to be attempted by any honorable member.

Mr. WEBSTER.—Or the elimination of remarks.

Mr. JOSEPH COOK.—I neither eliminated nor altered.

Mr. SPEAKER.—I am quite sure that the *Hansard* reporters, in pursuance of their duty, would not accept any alterations, except such as were in accordance with the rule I have just stated.

Question resolved in the affirmative.

House adjourned at 10.37 p.m.

House of Representatives

Wednesday, 27 June, 1906.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

ALTERATION OF HANSARD REPORT.

Mr. KELLY.—I wish to ask you, Mr. Speaker, if you have made an inquiry in

reference to the statements made in this Chamber last night about the editing of *Hansard*? If so, will you be good enough to give us the result of them?

Mr. SPEAKER.—I deemed that the remarks uttered last night demanded an inquiry, because it seems to me to be of the first importance that the *Hansard* report should be absolutely reliable as a correct record of what honorable members have said. I, therefore, asked the Principal Parliamentary Reporter to furnish such a statement as he might think proper upon the comments referred to, and he has given me the following report:—

Parliamentary Reporting Staff,
Melbourne, 27th June, 1906.

[Memorandum.]

In attention to Mr. Speaker's request for a report in reference to the statements made in the House of Representatives yesterday as to proof alteration by honorable members, I have the honour to state—

1. That Mr. Joseph Cook made no alteration in the portion of the report of his speech referred to by Mr. Webster; and that the record is an exact transcript of the reporter's note and corresponds with the manuscript forwarded by him to the Government Printer.
2. That an interjection by Mr. Webster in the course of a speech by Mr. Kelly was omitted at Mr. Webster's request and with Mr. Kelly's concurrence, Mr. Webster stating that he had misapprehended the purport of the speaker's remarks.

In my review of the proofs returned to me by honorable members, I am invariably careful to ascertain, in the very short time available for such a purpose, that the rule against alteration of sense is not infringed.

B. HARRY FRIEND,

Principal Parliamentary Reporter.

The Honorable the Speaker of the House of Representatives.

Mr. WEBSTER.—I should like the shorthand notes of the remarks which were made on the evening referred to to be looked into, with a view to ascertaining whether the expression reported in the *Argus* was not really uttered. The *Argus* report of the occurrence is as follows:—

Mr. WEBSTER.—Did you not sign the pledge as a member of the party?

Mr. COOK.—I did not sign any pledge of any party at all.

I object to the omission of those words from *Hansard*. I did not charge the honorable member with having struck them out, as the report of my remarks will show.

Mr. JOSEPH COOK.—The honorable member did make that charge against me.

Mr. WEBSTER.—I did not. I refer the honorable member to the report of what

I said yesterday. I referred, first of all, to the editing of *Hansard* generally; not to its editing by any particular individual.

Mr. SPEAKER.—I presume that the honorable member is to be taken as making a personal explanation?

Mr. WEBSTER.—Yes. What I said was this—

I desire to bring under your notice, Mr. Speaker, a matter which seems to require attention, and that is the editing of the speeches of honorable members before they are published in *Hansard*.

Then I illustrated the point which I desired to make, namely, that certain essential remarks of an honorable member had been omitted. I did not say that they had been struck out by the honorable member for Parramatta. I said that, instead of those remarks appearing in *Hansard*, the words recorded there were—

I have no recollection of having signed any pledge.

I referred to this method of revision as being of a certain character, and, later on, I said—

I think that *Hansard* should be a true record of what is said by the members of this House; and whatever honorable members may do with regard to altering the verbiage of their remarks, they should not be allowed to take out of the report essential matters that have been openly stated and amplified in speeches in this House.

That was a general observation.

Mr. JOSEPH COOK.—And an impugning of the *Hansard* report.

Mr. WEBSTER.—That was a general observation covering my views as to what should be the nature of the *Hansard* record. It does not matter whether an honorable member who has spoken desires to alter his speech by the elimination of some essential statement, or whether the *Hansard* reporters, at their own discretion, decide to eliminate it, I object to either course. The *Hansard* record should contain the remarks uttered by honorable members on essential matters. With regard to mere matters of detail and verbiage, there is room for the alteration which Mr. Speaker has indicated.

Mr. DUGALD THOMSON.—Who is to decide what is essential?

Mr. WEBSTER.—In this case I complain of the reply to an interjection which was essential being omitted. The honorable member for Parramatta has, time and again, charged honorable members on this side of the Chamber with many things ap-

pertaining to the caucus pledge, and I say that his remark was essential, since it affected his position, and it should therefore have appeared in *Hansard* as it was uttered.

Mr. JOSEPH COOK.—I did not utter the remark which the honorable member attributes to me.

Mr. WEBSTER.—There are witnesses here who say that they heard the remark.

Mr. JOSEPH COOK.—I say that I did not utter it.

Mr. WATSON.—Get the shorthand notes.

Mr. WEBSTER.—The *Argus* does not generally report in an incorrect manner honorable members on the Opposition side of the Chamber, and, therefore, I think that I can rely on the statement appearing in that journal as supporting my contention that the remark I speak of was deliberately uttered by the honorable member for Parramatta in reply to an interjection from me. I think I have justification for complaining of the non-insertion of that particular remark in *Hansard*.

Mr. JOSEPH COOK.—I rise to make a personal explanation in this matter. I repeat that I did not make use of the expression to which the honorable member refers.

Mr. TUDOR.—Then is the *Argus* wrong?

Mr. JOSEPH COOK.—I do not know. Does the honorable member usually accept the *Argus*?

Mr. TUDOR.—I do not; but it backs up the Opposition generally.

Mr. WEBSTER.—Does the honorable member deny having signed the pledge?

Mr. JOSEPH COOK.—I decline to have anything more to do with the honorable member in this House. My reply to his statements is that I hold in my hand the proof of my speech which was sent to me to correct, and that not a single alteration of any kind appears upon it.

Mr. WEBSTER.—I have not alleged that the honorable member made an alteration.

Mr. JOSEPH COOK.—I have here, too, the reporter's proof, on which there is not a single alteration of any kind.

Mr. WEBSTER.—I did not allege that the honorable member altered the report.

Mr. JOSEPH COOK.—I am also informed by the Principal Parliamentary Reporter that the report appearing in *Hansard* has been checked with the shorthand-writer's notes. What further proof does the honorable member require?

Mr. WEBSTER.—I say that the report is deficient.

Mr. JOSEPH COOK.—Any man who keeps repeating that statement in the face of such proofs to the contrary must be named Webster. No one else would do it.

Mr. WEBSTER.—The report in Friday's *Argus* proves the correctness of what I say.

Mr. JOSEPH COOK.—Had it not been for a certain allusion made by the honorable member last night, I should not have taken the slightest notice of his charge of editing *Hansard*, because such charges are always susceptible of proof by reference to the official records. But when he sought to drag in the name of Peter Close, of New South Wales, I thought it time to rebel against that sort of treatment. All I have to say to him is that I know nothing of Peter Close, though I fancy that he does. I had nothing to do with the appointment of the politicians who were supposed to be associated with Peter Close, though Ministers whom the honorable member supports had.

Mr. SPEAKER.—When I heard the name Peter Close used last night, I did not know who was referred to; but, as I have since gathered that the use of that name conveyed a very serious imputation, I shall in future disallow its use by any honorable member, and I must ask the honorable member for Parramatta not to use it. I hope that the present difficulty will be ended by the honorable member bringing his remarks to a close as shortly as possible.

Mr. JOSEPH COOK.—I claim that, having been associated with the name of a man like Peter Close, I have the right to reply. Every one who knows the circumstances knows the meaning of that association.

Mr. SPEAKER.—I did not know last night what the meaning was. Had I known, I should have required the remark to be withdrawn. It was such a remark as should not have been made by any one acquainted with the facts; but that, having been said, and this not being the occasion for a reply, the honorable member for Parramatta having replied last night, I cannot allow any further reference to the matter. This afternoon is not the time when a reply should, or can, be made.

Mr. JOSEPH COOK.—I have no more to say, if you, sir, will not allow me to refer to that aspect of the matter.

Mr. SPEAKER. — The question is not whether I shall allow it, but whether the

Standing Orders are to be obeyed. The honorable member made his reply last night, and any further comment on what was said then would be a distinct violation of the standing order, which says that a personal explanation may not be debated.

FOREIGN INSURANCE COMPANIES.

Mr. HUGHES.—I wish to know from the Prime Minister if his attention has been called to a report appearing in this morning's *Age*, as to the position of Australian and New Zealand policy-holders in American insurance companies. The matter is of sufficient importance to claim the immediate attention of the Government. The article points out that in Australia and New Zealand there are some 29,967 policy-holders in foreign companies, paying annual premiums amounting to £460,000, and insured for the sum of nearly £11,500,000. The recent scandals in America have demonstrated that the security of these policy-holders has been grievously impaired, and that, although there may be sufficient assets here to cover the local liabilities, there is nothing to prevent the realization of those assets, and the transference of the proceeds to America. I am informed that the attention of the Prime Minister was called to this matter last session, and I ask whether, in view of all the circumstances, and the expressed intention of the Government to introduce legislation in reference to this matter, the Prime Minister will see the advisability of doing so immediately.

Mr. DEAKIN.—Last session, the honorable member for Herbert gave notice of a motion, which was not reached, but because of it the Government placed themselves in communication with the representatives of the foreign insurance companies doing business here, and obtained certain information from them as to their position. There was not so much known then of the disturbance in America, and the operations of the companies there. As was mentioned in the speech of the Governor-General, a Bill has been drafted.

Mr. HUGHES.—That Bill must have been drafted before the result of the American inquiry had been made known.

Mr. DEAKIN. — A new and more extensive measure now awaits the sanction of the Cabinet, which I hope will be given next week. The companies with which I have been able to come into direct communication recently informed me that no

change has been made in the control of the local assets of which they gave us particulars last year, and I have been assured by one or two of the most representative companies that no measure providing adequate protection for the policy-holders of Australia will meet with their opposition. I hope this is the case.

Mr. DUGALD THOMSON.—Is it possible for the Government to give the policy-holders adequate protection?

Mr. DEAKIN.—I think so. There is no doubt that we can give it with the co-operation of the companies concerned. I trust that we can give a measure of it even without their co-operation. But I am encouraged to hope that we shall receive their assistance in making it abundantly plain that the policy-holders of Australia are adequately protected.

Mr. CROUCH.—Is the Prime Minister satisfied with the statements of their assets which were made last year?

Mr. DEAKIN. — I am by no means satisfied that their Australian assets cover all their possible local liabilities, but from the statements it did not appear that their assets had been diminished since these inquiries were first instituted.

Mr. HUGHES.—Is the Prime Minister aware that the companies in question have entirely relinquished new business here, so that practically they have no incentive to remain?

Mr. DEAKIN.—I am aware they have no incentive to remain in Australia except that which is offered by the premiums payable upon the existing policies, by the properties which they possess, and by the deposits which they have made under State law.

Mr. HIGGINS.—I desire to ask the Prime Minister whether the Government have considered the advisability of making uniform laws not only as to life assurance, but also in regard to fire insurance, throughout Australia? I may mention that I had a Bill upon the business-paper last session relating to this matter, but I should much prefer the question to be taken up by the Government. The adoption of that course would be obviously better.

Mr. DEAKIN.—In reply to the honorable and learned member, I may say that it is the intention of the Government to introduce such a Bill, but am unable to hold out hope that it will be submitted during the present session.

Mr. FRAZER.—Will that measure relate both to fire and life assurance?

Mr. DEAKIN.—We shall deal with life assurance first.

TARIFF COMMISSION.

Mr. JOSEPH COOK.—Last week I sought to obtain some information regarding the work of the Tariff Commission in respect of metals and machinery from one or other of the members of that body who were present in the House. You, sir, then stated that if the chairman had been present, and I had addressed my question to him, you would have permitted him to answer it. I now desire to ask the chairman of the Commission if he would care to say whether that body proposes soon to make any report upon the question of metals and machinery, and whether he will be good enough to make a statement to the House upon the matter?

Sir JOHN QUICK.—The honorable member was good enough to give me notice of his question, and with the concurrence of Mr. Speaker, I will answer it within the limits of my authority. The Commission will deal with the evidence relating to metals and machinery in five separate reports. The first will relate to agricultural implements generally, the second to stripper-harvesters, the third to mining machinery, the fourth to metals and metal work generally, and the fifth to ship-building. The draft report in respect to agricultural implements generally was circulated among members of the Commission on 12th June; that relating to stripper-harvesters was circulated yesterday, 26th June; and the draft reports in reference to mining machinery, metals, and metal-work generally, and ship-building are now in the hands of the typewriters, and will be circulated next week. The Commission will deal with these matters probably the week after next, but the precise date upon which the reports will be presented to the Governor-General I cannot at present say.

POSTAL ADMINISTRATION.

Mr. JOHNSON.—I wish to ask the Acting Postmaster-General whether he is in a position to reply to the question which I asked yesterday upon the subject of the use of the printed words, "On His Majesty's Service," which appear upon the wrapper of a private publication? The Minister promised to give the desired information to-day, and I desire to know if he is prepared to do so now?

Mr. EWING.—I told the honorable member yesterday that I hoped to be in a position to give him the information which he seeks to-day. This morning, I found that the Department had taken immediate action, and had submitted the matter to which he refers to the Crown Solicitor, with a view to ascertaining exactly where the Department stood from a legal standpoint. Possibly, I shall have the papers relating to the matter in my possession to-morrow, and, as soon as they are available, I will make the fullest statement to the House, besides laying them upon the table of the Library for the information of honorable members.

Mr. JOHNSON.—I desire to know if, in the meantime, any further copies of the publication in question, bearing the inscription to which I have referred upon the wrapper, will be transmitted through the post?

Mr. EWING.—I understand that they will not, but I do not desire to be absolutely bound by that statement. I have given instructions that the matter shall be dealt with as promptly as possible.

Mr. DUGALD THOMSON.—I wish to ask the Minister whether the reference to the Crown Solicitor will include his opinion as to the responsibility of the person using the words complained of upon the wrapper?

Mr. EWING.—Yes. It will deal with the point to which the honorable member refers. At this stage, I do not desire to make a full statement to the House. When I do so, I wish to be fortified with all the information that the papers disclose, and at the present moment I am not quite in that position.

NAVAL DEFENCE.

Mr. KELLY.—Referring to some quotations—the tenor of which was opposed to the Australian Naval Agreement—made during the course of the debate upon the Address-in-Reply by the honorable member for Barker—quotations from an interview with Mr. Bellairs, M.P., whom the Prime Minister has told the House he acknowledges as “a very competent critic,” I wish to ask the Minister representing the Minister of Defence whether he will give the same immediate consideration to such parts of that interview as the honorable member for Barker did not quote, as the latter asked for the extracts which he so carefully made. I especially desire to know whether the Minister will give his immediate consideration to the concluding

paragraph of Mr. Bellairs’ statement, which reads—

If they—

meaning the Australians—

are bent on experimenting let them experiment. It will do no harm for them to burn their fingers. The lesson would be a salutary one and awake them to the true significance of problems of naval defence.

Mr. EWING.—I think that notice should be given of such an abstruse question. I shall be glad to have notice of it given for to-morrow.

GOVERNMENT HOUSES: SYDNEY AND MELBOURNE.

Mr. McDONALD asked the Minister of Home Affairs, *upon notice*—

In view of the demand made by the Premier of Victoria for the sum of £3,000 a year rental for Government House, will the Government take the necessary steps to arrange for the Governor-General to reside in Sydney and save the expenses entailed by the upkeep of Government House, Melbourne?

Mr. GROOM.—The answer to the honorable member’s question is as follows:—

I am pleased to be able to inform the honorable member that an arrangement for the renewal of the existing agreement with the Victorian Government, under which no rent is payable for Government House, Melbourne, is practically concluded.

ELECTORAL ACT.

Mr. MAHON asked the Minister of Home Affairs, *upon notice*—

1. Referring to his answer to Mr. Mahon’s question of 21st June, does he consider that section 89 of the Electoral Act 1902, which provides that—

(89) The date fixed for the return of the writ shall not be more than 60 days after the issue of the writ, is annulled or superseded by section 168 of the same Act, which reads as follows:—

(168) Within twenty days before or after the day appointed for any election the person causing the writ to be issued may provide for extending the time for holding the election or for returning the writ, or meeting any difficulty which might otherwise interfere with the due course of the election; and any provision so made shall be valid and sufficient: Provided that—

(i) Public notice shall be immediately given in the State or division in which the election is to be held of any extension of the time for holding the election;

(ii) No polling day shall be postponed under this section at any time later than seven days before the time originally appointed.

2. Does he contend that the extension of time mentioned in section 168 can be applied uniformly and simultaneously to all the writs issued for any general election, and that the section last aforesaid confers upon "the person causing the writ to be issued" power to fix for the return of *all* writs a date beyond the term of 60 days?

3. Have not the terms of section 168 been borrowed substantially from the Electoral Acts of South and Western Australia, where the remoteness of certain electorates compelled the adoption of exceptional and elastic provisions to meet unforeseen contingencies; and, if so, is not the intent of section 168 to meet individual cases in which, owing to some mischance, an election could not be held on the day appointed, or the writ returned within the time fixed in the Proclamation?

4. Assuming that section 168 is applicable only as indicated in the last paragraph, do not the requirements of section 89 of the Electoral Act and of section 5 of the Constitution necessitate that a Parliament elected on any day in October next shall meet before the end of the present year?

Mr. GROOM.—The answers to the honorable member's questions are as follow:—

1. Section 89 of the Commonwealth Electoral Acts 1902-1905 is not annulled or superseded by Section 168, which renders practicable an extension of the time appointed under section 89 for the return of the writ.

2. The power conferred by section 168 to extend the time for the return of the writ may be applied uniformly and simultaneously to all the writs issued for any general election.

3. Similar provisions exist in the South Australia and Western Australia Electoral Acts. The power of extension provided in section 168 is not limited to individual cases. [See answer to No. 2 above].

4. No.

POSTAL OFFICIALS.

Mr. JOHNSON asked the Acting Postmaster-General, *upon notice*—

1. Is it a fact that in the General Post Office, Sydney, General Division officers are employed in clerical positions, whilst officers who have passed their examinations for the Clerical Division are employed in General Division work in the Mail Branch. If so, what is the reason for such an anomaly?

2. Is it a fact that clerical officers in the Mail Branch, who are engaged in work classified as belonging to the General Division, have to submit to be represented on the Appeal Board by the General Division representative?

3. Does the practice of keeping clerical officers employed in General Division work militate against the advancement of such clerical officers to fill positions in the Clerical Division?

4. Is it a fact that numerous vacancies have occurred in the higher grades of the Department's service since the classification, affording opportunities for the promotion of officers from the 5th to the 4th grade, and that only one such officer has been so promoted in that period?

Mr. EWING.—The answer to the honorable member's questions is as follows:—

Information required by the honorable member has to be obtained from Sydney. Instructions have been given to expedite. Replies will be furnished as early as possible.

EX-DRIVER FAY.

Mr. KELLY asked the Minister representing the Minister of Defence, *upon notice*—

1. Is it not a fact that ex-Driver Fay received injuries, while on duty, which have rendered him a cripple for life?

2. Is it not a fact that last session the Government introduced a Bill to recompense Colonel Price for injuries received on duty?

3. Will the Government extend the same consideration to a private soldier as they extended last session to Colonel Price, by giving Parliament an opportunity of deciding whether his (Driver Fay's) special case merits special treatment?

Mr. EWING.—The answers to the honorable member's questions are as follow:—

1. Yes.

2. Yes.

3. The Minister will bring forward the case of ex-Driver Fay for the consideration of the Cabinet at the earliest opportunity.

PAPER.

Sir JOHN FORREST laid upon the table the following paper:—

Transfers of amounts approved by the Governor-General in Council under the Audit Act, financial year 1905-6 (dated 26th June).

AUSTRALIAN INDUSTRIES PRESERVATION BILL.

SECOND READING.

Debate resumed from 26th June (*vide* page 742), on motion by Sir WILLIAM LYNE—

That the Bill be now read a second time.

Upon which Mr. WILKS had moved, by way of amendment—

That all the words after the word "be" be left out, with a view to insert in lieu thereof, the words "not further proceeded with until after the Tariff Commission has presented its report on metals and machinery."

Mr. JOSEPH COOK (Parramatta) [2.55].—I have already promised that this debate, so far as its second reading stage is concerned, shall close this evening, and therefore I feel no compunction in speaking for the second time upon the general question before the House. I wish particularly this afternoon to offer some reasons why there should be a little delay in connexion with this most important measure.

I desire to advance reasons why it should not be proceeded with until after we have received from the Tariff Commission, which is now sitting, its report upon the matters that are principally affected by this Bill.

Sir WILLIAM LYNE.—I do not think that the honorable member got a very satisfactory reply to the question which he put to the Chairman of the Commission this afternoon.

Mr. JOSEPH COOK.—I think that the reply was eminently satisfactory from my point of view, if not from that of the Minister. He is hurrying this Bill through the House, seemingly for the purpose of getting ahead of the Commission which is inquiring into these specific matters. The fact that the honorable gentleman has behind him a solid phalanx of members who will sit quiet and vote upon all occasions—

Sir WILLIAM LYNE.—I thought that the honorable member would get angry.

Mr. JOSEPH COOK.—I am not angry ; it is the Minister who is getting angry. He need not tell me that he is going to do nothing, because I know it before he makes the announcement. I know his attitude upon this question, and I know also that a little knowledge would be fatal to his political schemes. A long personal experience of him has taught me that there is nothing which is so fatal to him and his measures as the kind of knowledge which he is seeking to "burke" just now.

Sir WILLIAM LYNE.—I have passed the best measures to be found on the statute-books in Australia.

Mr. JOSEPH COOK.—I am sure that the Minister believes that he has. He has passed a lot of measures which he dares not bring into operation, because of the impossibility of administering them.

Sir WILLIAM LYNE.—The honorable member will learn all about that to-morrow or the next day.

Mr. JOSEPH COOK.—The information which we have gleaned to-day from the Chairman of the Tariff Commission evidences the necessity for hastening slowly with this very important proposal. This Bill has been introduced primarily to deal with many of the matters upon which the Tariff Commission is upon the verge of reporting.

Mr. THOMAS.—We have a Senate to prevent hasty legislation.

Mr. JOSEPH COOK.—We have a Senate, I believe, that is dominated in the same way as is this Chamber, by the silent, solid vote of men who make up their minds out of the House, and then come into it and sit tight till measures are put through. That is what we have both in this Chamber and in the Senate.

Mr. THOMAS.—Did not the honorable member like that state of things in New South Wales for five years?

Mr. JOSEPH COOK.—We did not have it for five years. To my way of thinking, nothing that has occurred in New South Wales or in any part of Australia has ever presented a parallel to what we see here. The Labour Party, as I said last night, ought to be re-named the deaf and dumb party, so far as discussion in this House is concerned. Its members have abdicated their old-time functions. These great tribunes of the people who were wont to make their voices heard in the Parliaments of the States have not a word to say upon these matters, which go to the very vitals of our industrial position. These matters do not appear to concern them. Their attitude was summed up the other day by their leader in this Chamber when he said that they do not object to the consideration of a little protection, so long as there are more important matters from their point of view in the Government programme. That appears to be the sum and substance of the whole matter. They are therefore in this position: that, so long as there are some planks of their platform on the Government programme, Ministers may play ducks and drakes with anything beside, no matter how important it may be to the country. That is why we find them sitting in a solid phalanx, none of them saying a word. They simply sit tight, and see these measures put through, very often, I venture to say, without knowing what is in them. So far from that lessening our obligation, it increases it. The people outside should know something about what is going on here, and if honorable members of the Labour Party, who are supposed to take the great working population of Australia specially under their wing, will not condescend to enlighten them in any way, there is all the more reason why we should do it.

Sir WILLIAM LYNE.—And the working men will not trust the honorable member.

Mr. JOSEPH COOK.—I do not know about that.

Sir WILLIAM LYNE.—I do.

Mr. JOSEPH COOK.—The honorable gentleman knows a lot. He has all his life been a good friend to the working men.

Sir WILLIAM LYNE.—I have.

Mr. JOSEPH COOK.—When it suited the honorable member's purpose. This is only a new-found zeal of the honorable gentleman for the working men. His interest in the working men dates from the time when, by their votes, he was able to get on the Treasury bench.

Mr. SPEAKER.—Does the honorable member think that that has anything to do with the question?

Mr. JOSEPH COOK.—It is in reply to an interjection. Until the honorable gentleman saw a chance of getting over their backs on to the Treasury bench we never heard of him doing anything but opposing the interests of the working men of Australia.

Sir WILLIAM LYNE.—That is not correct.

Mr. JOSEPH COOK.—I do not desire to go further into that matter now, because it really is not important. But the honorable gentleman sits opposite to me, and is continually interjecting. As usual, it is the man who lives in a glass house who throws stones—the man whose record will show that time and again in the history of Australia he has been opposed to the interests of honorable members in the Labour corner.

Sir WILLIAM LYNE.—Never.

Mr. JOSEPH COOK.—He has been bitterly opposed to them.

Mr. HUGHES.—There is more joy in heaven over one sinner who repents than over ninety and nine just men.

Mr. JOSEPH COOK.—Well, I can appreciate that sentiment; and if the Minister of Trade and Customs admits that he is now on the stool of repentance, all is well.

Sir WILLIAM LYNE.—Not at all.

Mr. THOMAS.—Mr. Reid said that the honorable gentleman did more for us than he would do in a thousand years.

Mr. SPEAKER.—These interjections, so constantly repeated by honorable members on both sides, seem to me for the most part to be intended to irritate and annoy. They therefore provoke what may be called quarrelsome disputes between honorable

members. The Standing Orders expressly provide that that sort of thing shall be prevented. Honorable members must know that, whether in speeches or interjections, taunting and irritating remarks are forbidden by the Standing Orders. They must be prevented, and I ask honorable members on both sides to refrain from them.

Mr. JOSEPH COOK.—This afternoon we had a statement from the Chairman of the Tariff Commission, that the subject of harvesters has been specially under the consideration of the Commission, and that we may expect a report the week after next on that subject by itself.

Mr. MAUGER.—No, the honorable and learned member did not say that. He said it would be presented to the Commission the week after next.

Mr. JOSEPH COOK.—The honorable member for Melbourne Ports is wrong. I happen to know from the Chairman of the Commission that he has already presented the report to the Commission.

Sir WILLIAM LYNE.—Did the honorable member have a previous conference with the Chairman of the Commission?

Mr. JOSEPH COOK.—I believe that the members of the Tariff Commission have considered the question of harvesters, and that a special report on the subject has been circulated amongst them. We were told by the Chairman of the Commission to-day that that report will be available, that is to say, it will be completed, so far as the members of the Tariff Commission are concerned, the week after next.

Sir WILLIAM LYNE.—I did not understand it so.

Mr. JOSEPH COOK.—That will be before this Bill gets through Committee, though we should proceed with its consideration in Committee as early as we may. Surely, therefore, we might as well proceed with the Committee stage of this Bill, with all the knowledge which this special investigation renders available to us, as go blundering on with the Bill in Committee without that knowledge? The Government are paying but a poor compliment to the Commission in ignoring it as they do in every way they can think of. They have done so ever since the Commission began its inquiry. It would appear to be the object of the Government and of their newspaper supporters from the outset to make it appear to the people of Australia that the appointment of the Tariff Commission was neither more

nor less than a farce. I think that some have gone so far as to definitely say so. That, of course, cannot be said of the Minister in charge of the Bill. He was opposed to the appointment of the Commission, but other members of the Government were not, and they gave it their approval and support. Surely the passing of this measure is not of such pressing importance as to outweigh and completely set aside all the information gained by the last twelve months of assiduous inquiry by this Commission, appointed under the hand and seal of the Governor-General? I say that it is paying but a poor compliment to a Commission of the importance of the Tariff Commission, to proceed with this measure post-haste in the way Ministers are doing at the present time. Everybody admits that this legislation is of a purely speculative and experimental character.

Sir WILLIAM LYNE.—No, they do not.

Mr. JOSEPH COOK.—The honorable gentleman knows it.

Sir WILLIAM LYNE.—No.

Mr. JOSEPH COOK.—The honorable and learned member for Northern Melbourne yesterday afternoon told us that it was a pure experiment. He said that all experience is against this Bill, so far as its anti-trust provisions are concerned. He expressed openly and candidly the doubt in his mind that we should be able to suppress these trusts. He said that the more difficulties we put in their way, the more they will contrive to get round them. The honorable and learned member doubted exceedingly whether we could do anything to suppress the trusts or curtail their operations. Then we have the honorable member for Bland declaring in his place, the other day, that he had no faith in this legislation—that, so far as he was concerned, he was blindly following the Government in this matter, in the belief that this measure would not accomplish what it is intended to accomplish.

Sir WILLIAM LYNE.—He did not say so.

Mr. JOSEPH COOK.—The honorable gentleman said that, in his opinion, this legislation would not do what it was expected to do, that it would not regulate and control these trusts, and that there was nothing for it, in his view, but the ultimate nationalization of these huge corporations. We were left to infer from what the honorable gentleman said that this is an experiment, or, rather, I should say, that he considers it a step in the process of sociali-

zation which the Labour Party are pursuing with respect to these combines and corporations. Here we have two of the most prominent supporters of the Bill, speaking from the Government side, with every desire to assist Ministers to push this legislation through, declaring that, in their opinion, it is useless for the purpose for which it has been introduced, namely, the repression of destructive monopolies. One of these honorable members said that we cannot do what is sought to be done by this Bill because of the very nature of the operations of these trusts and the extent of their ramifications. The other says that we cannot do it because they are part of our social order, which must be changed, so as to bring these trusts entirely under the control and operation of the Government. Yet, despite all this speculative and experimental element in this Bill, the Government will not wait for the knowledge which is available to them, and which might be made available to the House, before proceeding to place it on the statute-book of the country. Then the Prime Minister told us, the other night, that this is a Bill of first-rate importance. He said that trusts in the United States must be controlled by the people of that country, or they would soon control the United States—that trusts must be mastered, or they would master the country in which they existed. Surely a Bill of this kind, aiming at the very existence of our social order, at the control and regulation of most of the capital, as well as at the control of nearly all the industrial occupations of the country, is a matter in connexion with which there should be no hurry, unless there be some over-shadowing menace in the industrial sky, presaging events which may speedily put an end to social order and the industrial life of the country. If that menace does exist, where is the evidence of it? It should be easily tabulated in figures, and presented to this House. Instead of that, we hear nothing from the Minister to show that there is any need for this legislation, or that anything out of the ordinary is taking place. The Prime Minister, by way of interjection, last night asked the honorable member for Dalley what possible effect the report of the Tariff Commission could have upon the measure now before honorable members. The honorable and learned gentleman made it very clear that, so far as the Government are concerned, they will have

nothing to do with the Tariff Commission in this regard, and will not pay attention to what the Commission may say. All I have to say in reply to the Prime Minister on that point is that, while he will not have anything to do with the Tariff Commission so far as the passing of this Bill is concerned, the Minister in charge of the measure has made just such use of the knowledge which has come to him from the labours of the Commission as suited his purpose, and no more. The honorable gentleman referred to the Commission several times during his speech.

Sir WILLIAM LYNE. — Only once or twice.

Mr. JOSEPH COOK.—The Minister had better be sure, as I shall refer to one of the occasions he alludes to. I say that the honorable gentleman in charge of the Bill does not hesitate to use any knowledge which may come to him through the medium of the Tariff Commission if it suits his purpose to do so. Yet the Prime Minister when asked to wait for the full text of the Commission's report, and the accompanying evidence, asks what possible effect it can have upon this matter.

Sir WILLIAM LYNE.—Neither can it have the slightest effect.

Mr. JOSEPH COOK.—Very well, if it cannot affect the measure adversely—

Sir WILLIAM LYNE.—It is not a question of the Tariff at all.

Mr. JOSEPH COOK.—Well, I thought it was; judging by the number of references to the Tariff in the honorable gentleman's speech. He made it appear that it was nothing else but a Tariff question. The honorable gentleman made it a Tariff matter in his speech in introducing the Bill, and said a great many things about the Tariff. He particularly referred to the question of stripper harvesters, and dragged in the names of McKay and the Massey-Harris and International Harvester Companies. The honorable gentleman made very full use of these matters in moving the second reading of the Bill.

Sir WILLIAM LYNE.—The honorable member seems to have a brief for the International Harvester Company and the Massey-Harris Company.

Mr. JOSEPH COOK.—I do not know any of them.

Sir WILLIAM LYNE.—Neither do I.

Mr. CONROY.—They have a brief for the other side, and not for those who pay

the duties. A Royal Commission should be appointed.

Sir WILLIAM LYNE.—I do not want any impudence from the honorable and scurrilous member.

Mr. SPEAKER.—The conversation between the honorable and learned member for Werriwa and the Minister is quite out of place. I again remind the honorable and learned member for Werriwa that imputations upon honorable members, whether individually or collectively, are out of order.

Mr. CONROY.—The honorable gentleman knows that he made £150 a year from one company.

Sir WILLIAM LYNE.—The honorable and learned member is telling an untruth.

Mr. CONROY.—It is true, and the honorable gentleman knows that it is.

Mr. SPEAKER.—I ask the Minister to withdraw the statement he has made.

Sir WILLIAM LYNE.—The honorable and learned member for Werriwa made an interjection which is absolutely contrary to fact. I cannot sit and listen to his interjections and insinuations. The honorable and learned member made an insinuation the other night which has not the slightest foundation.

Mr. CONROY.—I will say it outside for the honorable gentleman if that will please him.

Sir WILLIAM LYNE.—I do not care where the honorable and learned member says it. I defy and challenge the honorable and learned member to prove what he has said here.

Mr. SPEAKER.—The Minister knows quite well that however he may regard the remarks of the honorable and learned member for Werriwa, which I prevented the honorable and learned member from persisting in last evening, he is not in order in the statement he made just now, and which I ask him to withdraw.

Sir WILLIAM LYNE.—I withdraw.

Mr. JOSEPH COOK.—The Minister said, in reply to a statement from me, that I had a brief for certain harvester combinations.

Sir WILLIAM LYNE.—Insinuations have been made against me which are quite unjustified. It takes me all I know to control myself when I hear them repeated.

Mr. JOSEPH COOK.—Have I made them? Why say such things of me?

Sir WILLIAM LYNE.—I did not refer to the honorable member.

Mr. JOSEPH COOK.—I do not know any of these people. I do not know Mr. McKay; I met him only once in the train. The Minister says that I have a brief for these companies. I reply that the Minister himself dragged all these matters into his speech, and made them the basis for asking the House to deal with this measure, and to deal with it now. What statements did the Minister make? First of all, he quoted clause 14 of the Bill, which says that the measure has to do with all matters of trade and commerce, as they affect Australia from the outside; and therefore have to do exactly and precisely with what the Commission has been set to inquire into—that and nothing more. How else can the foreign trusts express themselves if not by means of the things which they send to Australia, if not by means of the trade and industry carried on between them and the buyers of their articles here? The Minister says that this Bill is to control foreign trusts. Very well then; it means that it is intended to control the operations of foreign trusts; and those operations can only express themselves in the trade that goes on between them and Australia. That is the very thing that the Commission has been set to inquire into. It has been charged, for instance, with the duty of finding out how far harvester-makers here are being hit by foreign trusts, and by the competition which they set up. It has been set to inquire how far our agricultural implement-makers are affected by competition from oversea. Therefore this Bill purports to deal with a matter which the Commission has been specially set to inquire into. Yet the Government has endeavoured to rush it through in this post-haste fashion, before the Commission has had time to report, and is seeking to give effect to the measure before the knowledge collected by the Commission can be made available. There is no fairness in doing that kind of thing. It is not fair to this House. It is not fair to the people outside who will be chiefly concerned. It is not fair to the farmers of Australia. It is not fair to the firms interested. It is not fair to Mr. McKay. It is not fair to anybody that this Bill should be rushed through, and finally and completely dealt with, until the Royal Commission has had time to make its report. And here is an example of the unfairness, Mr. Speaker. The Minister, during

the course of his speech, referred to a statement which had been made before the Tariff Commission on this question of the competition of outside companies with Mr. McKay, and he went on to quote a declaration, and to embody it in *Hansard*, which shows that some traveller must have said somewhere that these gentlemen, the American manufacturers, were going to try to drive Mr. McKay right out of the harvester trade in Australia. I ask the Minister whether he thinks it is a fair treatment of this subject to quote something which has been said on behalf of Mr. McKay to that Commission, and not to wait for the other side to be put before this House? Is there any fair play in that conduct?

Mr. KENNEDY.—The document quoted was what was written by the head of the American firm to an agent of Mr. McKay.

Mr. JOSEPH COOK.—If such a document was written, is it not fair, before condemning the firm in question, to hear them? Is not that the first principle of British justice?

Mr. KENNEDY.—Both sides have been heard before the Commission.

Mr. JOSEPH COOK.—Exactly; but both sides have not been heard here. The Minister makes use of the statement of one of the parties, and is deliberately shutting out the possibility of the other side being heard.

Sir WILLIAM LYNE.—I made use of a statement made on oath.

Mr. JOSEPH COOK.—All statements before the Commission are made on oath.

Sir WILLIAM LYNE.—But this was a special statutory declaration.

Mr. JOSEPH COOK.—It may be so, but no contrary statement has been made public by the Commission. Does the Minister think that the Commission could specialize its reports as it has done if it did not on all occasions hear the other side? This question of harvesters is receiving no scintilla of fair play in the way this Bill is being dragged before the House. It is quite true that the case on behalf of Mr. McKay has been presented to us. But the Minister would not permit anything to be heard on the other side in this House. He deals with this Bill as if there were no other side to be heard. I want to secure fair play, and I therefore say that that is a reason why this Bill should not be rushed through in this way, until all the information available to the Commission is placed in the

possession of honorable members for use in this House. If the reports of the Commission were here, other honorable members might have something to say in reply to statements made on behalf of the Government. But the Minister is taking a course which absolutely prevents that from being done. That is one great reason, as I think, why there ought to be no haste in connexion with a Bill of this description. The Minister went on to tell us that he knew a great deal about this matter of harvesters. I do not know where he got his information from, but he knows what profits are made by the harvester companies; he knows what commissions are paid; he knows what it costs to make the machines. He knows all the minutiae of the business. But, strange to say, he knows only one side, and that is the side of Mr. McKay. He, apparently, knows nothing about the other side. Mr. McKay's own case is prejudiced by a Minister who will be so one-sided. It is not more fair to Mr. McKay than to others; because no one would expect any fair-minded man to make up his own judgment on this matter from an *ex parte* statement such as that presented by the Minister of Trade and Customs in introducing this Bill. In the course of his speech, the Minister made allusions to the Tobacco Trust and the Oil Trust of America. That is a further reason why we should hear from the Royal Commission concerning these matters. Both oil and tobacco are peculiarly Tariff matters. The price of oil concerns nearly every man throughout the length and breadth of Australia, and particularly does it affect those people who are remotest from the great centres of population, and who are not enjoying the communal advantages of our town and suburban life. A matter affecting them ought to be legislated upon with all the information available to us, so that we may know what experts on either side have said, and particularly so that we may know what the Commission has said. The Minister gave to every point of his speech what I might call a Tariff twist; and, while he told us generally that this measure does not affect the Tariff, and has nothing to do with protection and free-trade, he made nothing more nor less than a protectionist appeal. His speech was that of a militant protectionist from beginning to end.

Mr. MAUGER.—That is a good phrase—"militant protectionist."

Mr. JOSEPH COOK.—Coined by a good man.

Mr. MAUGER.—It will be "triumphant" next.

Mr. JOSEPH COOK.—I hope, since the honorable member is quite certain of his cause being triumphant, that at least he will not shut out a little light upon this matter—that at least he will have his triumph in the full blaze of all the knowledge that is available. That is all we are asking for at the present time. Do not sneak this thing through in the dark. Do not sneak this thing through behind the backs of the people, and without the knowledge which the people ought to have before them. That is the claim which we are setting up for a little delay. We say that the matters involved in this Bill are of first-class importance, although they are not so regarded by a section of this House; and that, therefore, the fullest possible knowledge that we can gather from any and every quarter should be brought to bear in the final and satisfactory settlement of this issue. The Minister, when speaking with regard to harvesters, told the House in a fine burst of frankness and candour that he had been asked to take action under the Customs Act to keep out the harvesters of foreign trusts. I wonder who it was that approached him in that way. He said—

As honorable members know, the Customs Act gives the Minister great power, and I have been told by legal authorities that he has now sufficient power if he likes to exercise it, to prohibit the importation of harvesters or any other machinery.

Then why this Bill, I wonder?

Sir WILLIAM LYNE.—I do not think that it was intended by Parliament that that power should be exercised, and I will not do it. I believe that technically I have the power, but that it was not intended.

Mr. JOSEPH COOK.—The Minister says that he has the technical power.

Mr. LONSDALE.—Was it Mr. McKay who suggested that?

Sir WILLIAM LYNE.—It was not Mr. McKay who saw me. I never saw him more than once in my life.

Mr. LONSDALE.—Was it Mr. McKay's lawyer?

Mr. JOSEPH COOK.—Then who was it?

Sir WILLIAM LYNE.—I am not going to say.

Mr. LONSDALE.—It was some one connected with him.

Sir WILLIAM LYNE.—It was no one connected with the business at all. I give the honorable member my word as to that.

Mr. JOSEPH COOK.—The Minister said in the course of his speech—

I do not think that it was intended that the Minister should exercise that power; I shall decline to exercise it until I am clothed with the powers provided for in the Bill now before the House.

Thereupon the honorable member for Corinella interjected—

Has the honorable gentleman been asked to act under the section of the Customs Act to which he refers?

Well, now, I think that as the Minister has told the House so much, he ought to tell the source whence this suggestion came. Who is it that has been approaching the Minister and trying to induce him to exercise this power?

Sir WILLIAM LYNE.—No one in the business.

Mr. JOSEPH COOK.—That makes it all the more peculiar. If it is no one in the business, and no one interested in it, who on earth would try to induce him to introduce a Bill of this kind for the purpose of keeping these importations out of Australia? The matter only becomes the more mysterious from these interjections of the Minister. If it was not Mr. McKay, if it was not any one in the business, who had the effrontery to approach the Minister to ask him to put into operation this plenary and absolute power which he declares that he possesses, I should like to know who it was.

Sir WILLIAM LYNE.—What I say is that I think that, technically, I have the power, but that I think it was not intended that I should have it, and that I will not use it.

Mr. JOSEPH COOK.—It is a pity that the honorable gentleman mentioned the matter, if he was not prepared to tell us who tried to "pull his leg" on the occasion referred to.

Sir WILLIAM LYNE.—I told the honorable member a good deal.

Mr. JOSEPH COOK.—Speaking of the Standard Oil Trust, the Minister said that, to a large extent, it was beyond our control, because it had been organized in the United States. How do the operations of the Standard Oil Company have injurious effects upon Australia? The Minister does not know, he could not tell us. All he has heard is that there is a company

organized here with £600,000 or £700,000, which is going to make oil.

Sir WILLIAM LYNE.—This morning I received a letter saying that the capital is £800,000 nominal.

Mr. JOSEPH COOK.—Does the honorable member act in this way upon the statements of interested parties?

Sir WILLIAM LYNE.—It is not the statement of interested parties, but a fact.

Mr. JOSEPH COOK.—I know that it is a fact.

Sir WILLIAM LYNE.—I think that the honorable member knows all about it.

Mr. JOSEPH COOK.—I know—in fact, every one knows that there is such a company; but I have yet to learn that the honorable gentleman is supposed to act in this way at one instance of an interested party, and at the same time decline to take any advice which an impartial Commission might give him.

Sir WILLIAM LYNE.—That company has never mentioned to me the subject of the Tariff or anything else. I saw the manager only once, and he was brought to me by another person.

Mr. JOSEPH COOK.—I suggest nothing wrong. The point I was going to make was that foreign trusts can only affect us by their exports to Australia. I hope that we are not setting up the idea that we can chase them out of America as well as Australia. I know that this Government, like the empirical political quacks that they are, have already taken a hand in the government of the whole world. For instance, they have had a try in the government of Ireland and Natal, and are proceeding to take a hand in the government of the United States. I suppose they are going to fix matters up over there.

Sir WILLIAM LYNE.—What has this to do with the Bill?

Mr. JOSEPH COOK.—All this is in answer to the Minister's chief, who declared that we have nothing to do with the inquiries of the Tariff Commission so far as this Bill is concerned. How can the operations of foreign trusts affect us, except through the Customs, except through the trading and industrial channels of the community? Anything which has to do with imports or exports is, I hold, a matter peculiarly within the province of the Tariff Commission, and, therefore, we ought to await their report before we push this Bill through. Then, with re-

gard to that Massey-Harris combine, the Minister makes this statement—

The trust, which is at present trying to grasp our trade and destroy our manufactures, sent us agricultural machinery valued at upwards of £250,000.

Ought not these trusts to be heard in their own defence, and by a properly constituted and impartial tribunal? We do not ask that they should come here before the bar of the House. We have set up a tribunal, and invited them to go there, where both sides may be heard. If these trusts are destroying our trade and beating out of Australia these important industries of ours, the Minister, if he could prove that, would come here with an overwhelming and triumphant position, which, instead of being open to challenge, would point to a grave national emergency, calling at once for treatment at the hands of the whole Chamber. But why does he not wait until he gets the report of the Tariff Commission? Why does he not wait until both sides of the question have been heard? And when both parties to the issue have presented all the facts which are already within their knowledge and purview, then let us decide impartially between them here, as we have a right to do, and as we would be in a position to do. But no; one side only must be heard in justification of this Bill. It is to be pushed through the House just when the impartial Tariff Commission is to present its report. A more outrageous proceeding could scarcely be imagined. But that is all of a piece with what this Government has been trying to do ever since they got into power. What I complain of is that the Minister of Trade and Customs quotes only so much of the information which the Tariff Commission has gathered as suits his purpose; that being a purely protective purpose, and not bearing specifically on the question of the repression of destructive monopolies. From another consideration there is no particular hurry in this matter. All the information available to us in the public prints is of the rosiest possible character. For instance, we were told by the Premier of Victoria the other day that there never was such a tide of shining prosperity as exists just now in this State. Ever since he took office, he tells us that Providence has been smiling upon him, that every industry is flourishing, that the revenue chest is full to overflowing, and that his great trouble is to know what to do with his sur-

plus. In corroboration of that statement, I should like to refer to a leaderette which appeared in the *Age* of Friday last, and which is most interesting reading. It contains some statements which I should like to place on record in *Hansard*, because they throw a very curious light upon the fierce fiscal propaganda which that newspaper is constantly waging with so much effect, at any rate in Victoria. In one breath the *Age* tells us that unless we can get some relief from the Tariff Commission, the industrial life of Victoria is threatened with collapse, with all the dire consequences of the evils which this Bill is designed to prevent. But on Friday last—in a burst of candour, and in connexion with quite another matter—the *Age* throws a curious side-light on all these doleful and baleful prophecies which it has uttered so many times recently. Writing on Friday last, in reply to Messrs. Mann and Fleming, who had alleged that “there were no fewer than 5,000 men in this city able and willing to work who cannot find employment”—a deplorable condition of things, if true—the *Age* goes on to say—

That is a most serious statement. If it were capable of being substantiated, the prosperity on which we have been priding ourselves of late would be proved a hollow sham, and we should then have occasion to doubt the accuracy of the statistics recently published concerning our expanding trade. The Customs returns show that for the first five months of this year our oversea agricultural exports have increased by £1,159,000, compared with the corresponding period of 1905.

I suppose that this will be called dumping by the Minister. If so, it is dumping of the kind which the farmer of Victoria certainly is fond of. It means that he is prospering. His crops are growing, therefore he must purchase more machinery with which to reap and garner them.

The wheat yield for the past season has been estimated at 24,000,000 bushels—an average of more than twelve bushels to the acre.

Here I pause to make one comment only. When conducting his vigorous protectionist campaign in Sydney the other day, the Prime Minister referred to the great prosperity which had come over Australia just now, and, his “eye in a fine frenzy rolling,” said, “if the Tariff, so far, has done all this for you, what will an increase do for you?”

Mr. MAUGER.—Hear, hear! that is right.

Mr. JOSEPH COOK.—Is the honorable member so far lost in the fogs of economic

doubt and prejudice as to really make the statement that because the skies are kindly and the rains descend in plenitude, that is the result of protection?

Mr. MAUGER.—No; my honorable friend is doing that.

Mr. JOSEPH COOK.—No; that is the statement of the honorable member, because he is claiming all the credit of our good seasons for this protectionist Tariff.

Mr. MAUGER.—No; it is the *Age* article which is doing that, and the honorable member is misinterpreting it.

Mr. JOSEPH COOK.—The article proceeds as follows:—

And at the same time, notwithstanding our steadily increasing population—

I do not know where the population of Victoria is steadily increasing.

Mr. MAUGER.—Yes, it is.

Mr. JOSEPH COOK.—That the population is increasing from the Australian point of view, I know. If the tide has turned in Victoria, I for one am delighted to hear it—

And at the same time, notwithstanding our steadily increasing population, our general imports from abroad have notably diminished. These figures testify that in every department of our industrial life we are forging ahead. Our agriculturists are thriving, and our manufacturers, despite the handicaps they have at present to fight in the shape of ineffective protection, foreign trust competition, and many lamentable holes in our tariff fence, are beginning to overtake and supply the wants of the people with the products of Australian labour.

I believe that the figures this year show that the increase in Victorian Inter-State trade amounts to no less than £2,000,000 sterling. This is in the State which is supposed to be "hit" by this Tariff, and to be clamouring night and day for fiscal measures to prevent industrial collapse. Yet the *Melbourne Age* goes on to say that the manufactures of Australia, and particularly of Victoria, for that is the State of which the newspaper is speaking—

are beginning to overtake and supply the wants of the people with the products of Australian labour. All this means, if it means anything at all, that our labour market is in a flourishing condition.

We shall perhaps hear to-morrow or a week hence of people starving for the want of a more effective Tariff—

Crops do not plant nor gather themselves; neither do the boots we wear, and the various articles we use in our daily life, shape themselves of their own volition.

The newspaper article proceeds—

Yet, although we are now producing at a rate—

I ask attention to this—

Yet, although we are now producing at a rate in excess of all past precedent, we are asked to believe that we have more unemployed in the city to-day than ever. Public prosperity does not reveal itself only in statistics. It is quite apparent that we are a prosperous people. In many parts of the country there is a call for unskilled labour, which halts to be satisfied. Almost all our trades are flourishing, and the demand for skilled workmen is at least equal to the available supply.

This is a most important statement, as coming from the great protectionist panjandrum.

Mr. KENNEDY.—It is not evidence of ruin from past legislation in Victoria.

Mr. JOSEPH COOK.—It is not evidence of ruin from the present so-called imperfect Tariff, as the honorable member has very often called it in this Chamber.

Mr. KENNEDY.—I have never said so.

Sir WILLIAM LYNE.—We desire a better Tariff.

Mr. JOSEPH COOK.—In view of the statements of the Premier of Victoria, and of this great protectionist newspaper, and in view of Victorian statistics, which show a trade expanding to the extent of £2,000,000 in manufactures, we ought not to have this prohibitive protection sprung upon us without inquiry, and without the knowledge which the report of the Tariff Commission will make available to us. That, I think, is a fair attitude to take up, whether a man be a free-trader or a protectionist. A protectionist, in my judgment, should be the first to welcome the report of the Commission, which was appointed specially to inquire into Tariff matters. But it seems as if the protectionists in this House, or some of them at any rate, only desired the Commission when they could not get anything more effective or more drastic, sudden and peremptory, at the hands of the Minister who presides over this important Department. All we are asking for at the present time is postponement, and I venture to say that one speech alone, which we heard in this House last Friday, is sufficient warranty for delaying the matter to some extent. I refer to the honorable member for Mernda, who, in the course of a two hours' address, presented, in my judgment, an unanswerable argument for delay and further inquiry. First of all, the honorable member for Mernda went into the historicity of the question.

Sir WILLIAM LYNE.—Where did the honorable member get that word?

Mr. JOSEPH COOK.—The Minister of Trade and Customs laughs at a common word. I shall be glad to substitute another, in order to accommodate the honorable gentleman if he does not understand the word "historicity," and say that the honorable member for Mernda went into the history of this matter, and showed that there are conditions operating as buttresses to those foreign trusts, which conditions could not operate in Australia for the simple reason that those buttresses in Australia are in the control and ownership of the people as a whole. If, therefore, the means of transportation in America supply the chief buttresses of the trusts, such results are not possible in Australia, because all our means of transportation were nationalized long ago. Moreover, the honorable member for Mernda, as a trader and manufacturer, spoke from the inside of this matter, and was able to present an argument showing that, so far as the Bill is concerned, we ought to wait for further enlightenment—for further knowledge such as the Tariff Commission can present to us. There ought to be some reply from the Government bench to a speech of that kind from a man who owes the Government allegiance, who, while telling Ministers that he speaks in the most friendly way, at the same time delivered one of the most crushing indictments against a Government measure that has been heard for many a long day within this Parliament. There were some attempts at interjection on the part of the Attorney-General when the honorable member for Mernda was speaking, but these did not in way affect the solidity and force of the argument which was presented by that honorable member.

Mr. HENRY WILLIS.—And by many other honorable members.

Mr. JOSEPH COOK.—I am referring to the honorable member for Mernda because he declared himself to be a supporter of the Government. I am not singling the honorable member out as on this side of the House; because he took special pains to make it clear that he spoke in a friendly way and as a supporter of the Government.

Mr. WILKS.—And as a protectionist as well.

Mr. JOSEPH COOK.—I am not trying to emphasize the protectionist aspect of the matter. The protectionists in this House

ought in my opinion to be the loudest in their demand for the production of the report of the Tariff Commission. If they believe that the report will be fair and impartial, surely they of all other people ought not to be impatient to rush a measure of this kind. Surely they can wait a fortnight for valuable evidence with which to buttress their case. I do not understand this red-hot haste on the part of the Government, and of some of their protectionist supporters, to rush this legislation before the Tariff Commission has had time to make its report. I ask again, is this matter more urgent than the Tariff report itself? Admittedly our industries are flourishing, and are not being menaced by foreign depredations.

Mr. MAUGER.—Does the honorable member say that our iron industries are flourishing?

Sir WILLIAM LYNE.—No, they are not.

Mr. MAUGER.—There are hundreds of men out of employment in those industries.

Mr. JOSEPH COOK.—All I have to say is that, if our iron industries are not flourishing, the Tariff Commission will show that to be the case in a fortnight's time. If there are hundreds of men out of employment in the iron trades, we shall have proof of the fact shortly from an authoritative quarter. The Tariff Commission has inquired all over Australia into the iron industry, and has collected and collated every fact connected with its operations. Therefore, if the honorable member for Melbourne Ports believes that there is a case for further dealing with the iron industry, he ought to be the very first to hail this knowledge, and wait its advent in this House, rather than rush the measure through in its absence.

Mr. MAUGER.—I want this Bill, plus the highest Tariff I can get.

Mr. JOSEPH COOK.—I should imagine that the man who desires ultra-protection—who wants prohibitive protection, to put it plainly—or the highest Tariff he can get—

Mr. MAUGER.—We will not get that, of course.

Mr. JOSEPH COOK.—I do not know that the honorable member will not get it. If one may judge from the empty benches, and the interest taken in the matter on the Government side of the Chamber, I am not sure that the honorable member will not get what he desires—indeed, I am perfectly

certain he will get it—that is, if this Bill goes through unaltered.

Mr. MAUGER.—I hope so.

Mr. JOSEPH COOK.—This Bill means possible prohibitive protection, so far as the iron and many other trades are concerned. Therefore, I say that even honorable members who wish to prohibit trade outside, except in some matters concerning our primary products—who desire to put a wall entirely around Australia, so far as our manufacturing is concerned—surely ought to be the first to await the result of the inquiry of the Tariff Commission, seeing that on that Commission there are ultra-protectionists who will supply all the knowledge which protectionists require to enable them to proceed with fairness, security, and industry in their quest for prohibitive duties.

Mr. MAUGER.—There are no ultra-protectionists on the Tariff Commission.

Mr. JOSEPH COOK.—I fancy there are one or two, judging from the reports of the evidence from time to time. At any rate, we have often been told, in this House and out of it, that the great outstanding need of Victoria at the present moment is a rectification of Tariff anomalies. Reports concerning these anomalies have already lain on the table of the House for three weeks, and yet no move has been made concerning them. There are other reports in course of presentation; but all the reports, it seems, are to be set aside for use at some future date. This is trifling with the people outside, who believe that the Government are in earnest in the matter, and that, having the power. Ministers will deal with anomalies at the earliest possible moment. The Government have the power, and they have the reports, but instead of proceeding in a matter as to which they have knowledge, they insist on thrusting in front this Bill, which does not affect our industries at the moment—which does not affect any industry that is supposed to be in a state of collapse because of inefficient and ineffective protection, but which has to do with some menace that may arise at some future time to some of our industries. The Government are playing a politically dishonest part to the people, to whom they have preached on every platform that at the very earliest moment they will deal, and, if possible, rectify Tariff anomalies. What is to be said of such conduct in the light of the

pledges given by the members of the Government to their constituents at the last election? This is, after all, the final tribunal to which all these matters must be referred. The Government and their supporters have a responsibility to their constituents, to whom they gave the solemn pledge at the last election that they would not in this Parliament enter upon any drastic Tariff legislation. Fiscal peace was their election cry—peace for the trades that had already been so much upset by the Tariff.

Mr. MAUGER.—That was three years ago.

Mr. JOSEPH COOK.—Does a pledge become any the less a pledge because it is a year or so old? May honorable members break pledges at the end of one or two years? The honorable member for Melbourne Ports, I know, laid down that strange doctrine in the House last year, when he said that those promises were better broken. Nothing can absolve a Ministry, which controls the situation, and the electoral machinery, from keeping their solemn pledge to the people of Australia at the last election that they would not indulge in the Tariff tinkering in which we now see them actively engaged. This is not so much a matter of the Tariff as a matter of public honesty—a matter of public pledge, and of public statement by those who are supposed to set an example to the rest of the people of Australia. What has happened during the last eighteen months? After telling the people that there would be a rest from Tariff interference the Government have ever since been actively engaged, both administratively and by indirect legislation, in re-opening the matter. Their object is to get further power into their own hands, to be twisted for fiscal purposes and ends. That is going behind the backs of the people, and sneaking in a Tariff.

Sir WILLIAM LYNE. — Who has been doing what the honorable member complains of?

Mr. JOSEPH COOK.—The honorable gentleman, for one. Ever since he has been in office he has been trying to twist its control for fiscal purposes, both by his administration and by the legislation which he has attempted to put through Parliament.

Sir WILLIAM LYNE.—I have not twisted the control of the Department, so far as administration is concerned, and the intro-

duction of legislation cannot properly be termed twisting.

Mr. JOSEPH COOK.—The honorable member has dealt with many matters from the fiscal point of view, instead of impartially. If the Bill is passed into law, another Tariff will not be needed, because the Government will have a means of enforcing prohibitive protection.

Mr. HUTCHISON. — Yet the honorable member is going to vote for the measure.

Mr. JOSEPH COOK.—Am I? The honorable member will know all about that when we come to deal with the Bill. As the Tariff does not concern him, he need not go to the trouble of making interjections. The party to which he belongs thinks so little of a prohibitive Tariff that its members are never in the Chamber, and take not the slightest interest in this legislation. That is what comes of solidarity—of being tied down to certain planks of a platform, and caring nothing about anything else.

Mr. HUTCHISON.—The members of the Labour Party have a free hand in dealing with the fiscal question.

Mr. JOSEPH COOK.—A free hand to let it alone, and ignore it.

Mr. HUTCHISON.—We shall not let it alone.

Mr. JOSEPH COOK.—I am at a loss to understand how the Prime Minister will be able to go back to his constituents after this Bill becomes law, seeing that he definitely pledged himself to a policy of fiscal peace, and the measure makes all further Tariff legislation unnecessary. I am afraid, however, that he long ago learned to regard his electioneering pledges lightly. We have had too much evidence of that during the past eighteen months. Many of the provisions of the Bill permit of prohibitive protection.

Mr. DEAKIN.—Nonsense!

Mr. JOSEPH COOK.—The secretary to the Protectionist Association has just admitted that it has a great protectionist incidence.

Mr. MAUGER.—It ought to have.

Mr. WILKS. — The honorable member said that it has.

Mr. JOSEPH COOK.—Its introduction is a violation of the solemn pledges of certain honorable members to their constituents.

Mr. DEAKIN. — The honorable member does not believe that.

Mr. JOSEPH COOK.—I should not say it if I did not mean it. Will not the Prime Minister admit that the Bill provides for the equivalent of a prohibitive Tariff in respect to many of the articles which are now imported into Australia?

Mr. DEAKIN.—No.

Mr. KING O'MALLEY.—It applies only to imported articles made by sweated labour.

Mr. JOSEPH COOK.—The argument of protectionists always is that protection is necessary to prevent the competition of sweated labour in other protectionist countries. The Bill provides specially against such importations, and does so in an abrupt and personal, rather than in a legislative way. Its true object is being admitted now. It gives the Minister power to impose protection. Instead of the Government submitting a schedule of duties to be dealt with by Parliament one by one beneath the public gaze, we are asked to allow the Minister of Trade and Customs to deal with this matter according to his personal whim and wish. The introduction of a measure, many of the clauses of which provide for prohibition, throws a very curious light upon the manner in which the Ministry regard the solemn pledges which they have made to the people of Australia, and show how indecent is the haste with which this measure is being pushed through. We were told by the Chairman of the Tariff Commission to-day that its reports will be here in a fortnight's time.

Mr. DEAKIN.—No. He said that the reports would be before the Commission then.

Mr. JOSEPH COOK.—He said that the reports on harvesters and agricultural implements have been circulated, and that the Commission expect to be able to report finally the week after next.

Mr. FULLER.—He said that the reports will be considered the week after next, and that he could not say definitely when they will be presented to the Governor-General.

Mr. JOSEPH COOK.—At the most, I take it that the consideration of the reports will consume only a week more.

Mr. FULLER.—I do not know about that.

Mr. JOSEPH COOK.—I assume that the Commissioners will deal with this matter in a business-like way, and I think that they should be able to settle the harvester question within a week. Indecent haste is being shown by the Government in pushing this measure through, when, within a

fortnight or three weeks, we shall have an authoritative report on the whole harvester question. I ask the Minister to delay the consideration of this measure until we can deal with it in the light of the full knowledge that will then be available—knowledge taken upon oath, under a Commission issued by the Governor-General himself. If the consideration of the measure is delayed until that knowledge is available to us, we shall be able to deal with the measure with all the facts before us, and will arrive at the best solution suggesting itself under the circumstances.

Mr. JOHNSON (Lang) [4.8].—I wish to give a few reasons in support of the amendment of the honorable member for Dalley, postponing the further consideration of the Bill until the reports of the Tariff Commission are before us. That Commission was appointed to inquire into the allegations that Australian industries are being injured by foreign competition, and, up to the present time, its inquiry has cost the country something like £12,000. Does the Government intend that that money shall be wasted, as it will be wasted if we deal with a measure whose *raison d'être* is the allegations to which I have referred, before the evidence of the Commission is available to us? It is only by perusing the reports of the Commission that we can ascertain the actual conditions of the industries which we have been informed are languishing, particularly in Victoria. At the present time we have only the interested statements of the manufacturers and their political representatives in this Chamber. But the object of the Commission was to obtain evidence from every available source, so that Parliament might be placed in possession of reliable data upon which to form an opinion as to whether or not legislation was necessary to improve our industrial conditions. No facts have been adduced to show that the proposed legislation is urgent, or to substantiate the statements which have been made as to the existence of dumping. We have heard a great deal about the injury inflicted upon Australian industries by the practice of dumping imported goods on to this market, and selling them at prices lower than those charged for Australian-made goods, and we are asked to believe that one of the reasons actuating the Minister in bringing forward legislation of this kind was the necessity for putting an end to what he terms unfair competition. But,

although he and other honorable members have alleged that dumping is largely resorted to in Australian markets, no instance of dumping has been brought forward to support their statements. They have been challenged to bring forward such instances, but, up to the present time, we have not had before us a tittle of evidence as to the existence of dumping. We are asked to deal with the Bill as an urgent matter, whose consideration cannot be delayed for a week, or even for a day, because Australian industries are being destroyed by dumping, and yet, although the Minister has at his command all the sources of information possessed by the Customs Department, he has not been able to produce a tittle of evidence in support of the allegation that dumping exists. Therefore we are justified in believing that it does not exist. Even if it did exist, who would be injured by it? Certainly not those who would thereby be able to obtain goods more cheaply than they could otherwise obtain them. Dumping would certainly not injure the consumer of goods, whose interests the Bill professes to protect. If shiploads of goods were brought in and dumped upon our wharfs, and afterwards sold at ridiculously low prices, what harm would be done to those who purchased the goods? Foreign manufacturers will not send their goods to this country unless by doing so they can make a profit.

Mr. RONALD.—Is it not desirable to employ our own people?

Mr. JOHNSON.—Our own people must be employed in some way or another in order to obtain the money necessary to pay for the goods which are imported, which would not be sent here if they could not be paid for. The goods which we import are paid for with the goods which we export. That, however, is an aspect of the subject with which I do not propose to deal further at the present time, lest I should be drawn into discussing the main question, and not the amendment. But in my opinion, and in that of anybody who will take the trouble to think for a moment, the practice of dumping—even if it did exist—would confer, at any rate upon the poorer sections of the community, a very decided advantage. If it is to be prevented under a Bill of this kind, a very great amount of hardship will be imposed upon this class of people, who will thus be deprived of the opportunity of obtaining a great many things

which, under the conditions that are alleged to exist at present, they will be able to secure. But, so far, no evidence of the existence of dumping has been furnished to this Chamber. The third reason why I object to proceeding with the discussion of the Bill at the present juncture is that popular opinion, so far as it has been ascertained by resolutions at meetings, and in other ways, is almost universally opposed to the legislation which is contemplated.

Mr. MAUGER.—Where were the public meetings held?

Mr. JOHNSON.—I am speaking chiefly of organizations, and not of public meetings in the ordinary sense of the term. The opinion which has been expressed by bodies representing those who are specially interested in the trade, industry, and commerce of the country is decidedly adverse to this measure. Indeed among the mercantile community generally, little short of consternation prevails in regard to it. The only consolation which these persons can find is based upon their profound belief that this Legislature could never do such a dastardly thing as to pass a measure of this character. They hold that it is impossible that an intelligent Legislature could carry it. That is the feeling which exists to-day—a feeling which has found expression in various resolutions by Chambers of Commerce, by Employers' Federations, and by other bodies both in this State and others. In this connexion I propose to quote a resolution which was adopted by the Victorian Employers' Federation at a meeting which was held only a few nights ago. I propose to read the resolution which was passed by the Employers' Federation—a body which represents not only the employers, but the manufacturing, trading, transport, producing, and financial interests of Victoria. Honorable members must recognise that this organization is a thoroughly representative one, consisting as it does of persons who are engaged in manufacture, and in financial operations. The resolution reads—

That this Federation of Employers, representing the manufacturing, trading, and transport, producing, and financial interests of Victoria, protests against the passage of the Bill known as the Australian Preservation of Industries and Repression of Destructive Monopolies, on the ground that it mixes up two different questions, the preservation of Australian industries and the repression of destructive monopolies. In respect to the first title, we are as much interested in the maintenance of Australian industries—in fact more so—than any

other organization in this community, and believe this is already provided for by the protectionist policy adopted by the Commonwealth.

I should like to know what the honorable member for Melbourne Ports has to say concerning that declaration by a body which is admittedly in a better position to express an opinion upon this subject, because of its own financial interests which are involved, than is any other body in Australia. The resolution continues—

In respect to the second title, the repression of destructive monopolies, we are as much earnestly opposed to the introduction of destructive monopolies, either from outside or in our midst, as any other portion of the community, and even more so, as our interests lie against such combinations. We will strongly support any equitable measure brought in by Government—State or Federal—which has their repression in view, but as business men we believe in the principle of "live and let live," and are not prepared to unfairly handicap men in business, nor the producer or consumer, by supporting the clauses in the present Bill under the heading of "prevention of dumping," for they are selfish and prejudicial to the best interests of the body politic, and appear to have been drawn by persons unacquainted with the details of business, and therefore unable to form a correct opinion of the outcome of such legislation.

I am sorry that the Minister of Trade and Customs is not present to hear the opinion of this body regarding his fitness to deal with legislation of this character—an opinion which applies equally to the honorable member for Melbourne Ports, and other advocates of this pernicious measure. The resolution continues—

We, therefore, consider that the Bill should be placed in the hands of a Select Committee of the House, such committee to take the most exhaustive evidence on the whole matter, with a view to the Bill being dealt with on its merits as a non-party measure.

That is the suggestion which emanates from a body of men in whose special interests this Bill is supposed to have been drawn. They affirm that it is a destructive measure, that it is not necessary, and that, instead of benefiting them, it will inflict serious injury upon their trade. They even go so far as to say that those who are responsible for its drafting cannot be conversant with the ordinary principles which govern trade and manufacture. They practically tell the Minister and those who support him that they are attempting to do something the nature of which they do not understand, and with which they are not competent to deal. I thoroughly indorse that expression of opinion. I say that the less we as a

Legislature interfere with the trading and manufacturing concerns of the community the better it will be for everybody. That is another reason why we should defer the consideration of this Bill. When we see an important and influential body like the Victorian Employers' Federation denouncing the measure, affirming that its provisions are tyrannical and unjust, and that its operations will be productive only of disaster to the commercial and manufacturing interests, as well as to those of the community generally, I think we have a right to attach some weight to their expressions of opinion.

Mr. PAGE.—To what body is the honorable member alluding?

Mr. JOHNSON.—I am speaking of the Victorian Employers' Federation, in whose special interests this Bill is supposed to be brought forward.

Mr. PAGE.—They howl about every bit of progressive legislation that is introduced.

Mr. JOHNSON.—I quite agree with the honorable member that there are occasions when bodies of employers howl without just cause. But there are other occasions when they have just reason to complain, and this is one of them.

Mr. PAGE.—Has the honorable member ever read the fable of the boy and the wolf?

Mr. JOHNSON.—I do not hold a brief for the Employers' Federation, and, as a rule, I have very little sympathy with organizations of that character, because I know that, under ordinary circumstances, they are very well able to take care of themselves, and that, if there were not some Members of Parliament, at any rate, who keep a close watch upon their operations, their tendency would often be in the direction of tyranny and oppression. I freely recognise that, and I do not think that anybody will accuse me of holding a brief for an organization of that kind. In fact, my sympathies are all in the other direction, and my natural instincts are in favour of equal justice to all classes of the community. But when legislation of this character is brought forward, ostensibly to afford relief to the very people who are said to be suffering from unjust competition, whose capital is alleged to be endangered, and whose profits, it is asserted, are being unduly interfered with, and when their organization repudiates such statements by practically declaring that

there is no foundation whatever for them, that its members do not want this legislation, I hold that the main ground upon which the Minister has rested his case for the introduction of the Bill has been absolutely cut from under his feet. That is my only reason for making the quotation which I have made. Another reason that I would urge in support of the amendment is that only the most pressing necessity should induce Parliament to confer upon the Minister the powers which it is proposed to vest in him under this Bill. Honorable members who have read its provisions know very well the drastic powers which it will confer upon him. They must recognise that, in its present form, it would give him absolute control over the whole of the trading, commercial, and manufacturing interests of the Commonwealth. That portion of the measure which relates to dumping would practically confer upon him absolute power to prohibit the importation of any goods if it could be shown that their importation in any way prejudiced the sale of the locally-manufactured article. This could be done on the plea that such goods were entering into unfair competition with locally-manufactured goods. Everything then would depend on what the Minister would consider to be unfair competition. The qualities of the respective goods would not weigh in the determination of the matter. We know perfectly well that all successful competition by imported goods would probably be deemed to be unfair competition, because it would naturally prejudice the sale of locally-manufactured goods. That is to say, that people would purchase imported goods when they could get a better class of goods at the same or a lower price than they would have to pay for locally-manufactured goods. There would then be successful competition by the imported goods, and the Minister, seeing the effect that that must have upon local production, could declare it to be unfair competition, and at once proceed to prohibit the importation of those goods. The immense power of prohibition conferred under this Bill upon the Minister of Trade and Customs is a very dangerous power to relegate to any man, and affords another reason why Parliament should hesitate to pass it. A further reason why I support the amendment is, that it is notorious that the people at whose instigation the Bill has been introduced are making immense profits

from their operations under the existing Tariff. When speaking on the motion for the second reading of the Bill a few days ago, I showed that various trades which I enumerated, and which have been specially mentioned in this Chamber as included in the category of languishing industries, are really in a most flourishing condition at the present time. In support of that I quoted the figures of the Chief Statistician here, and also the opinions given in newspaper interviews by representatives of leading manufacturing firms in Victoria. This went to show that, so far from legislation of this character being needed to preserve the local industries from destruction, and to protect them from alleged dumping, those industries, as a matter of fact, are in a better condition at the present time under the existing Tariff than they ever were under the old Victorian Tariff. They, moreover, now get a wider market as a result of Inter-State free-trade. The honorable member for Melbourne Ports interjected just now to the effect that industries in the iron trade were suffering. It is quite true that for a certain period those industries did suffer in Victoria under the old Victorian Tariff. They went down in the period between 1890 and 1894, with each succeeding year a greater falling off, but since the Federal Tariff has been in operation those industries have wonderfully revived, and, according to Mr. Harrison Ord, a steady improvement has taken place in all of them. To refresh the memories of honorable members on this point, I may perhaps be permitted to repeat a quotation given in a former speech, which will show that legislation of this character is not necessary, and that, at any rate, it ought to be delayed until we have the report of the Tariff Commission before us, and are able to judge whether they have secured evidence which will substantiate the claims as to the necessity for, and urgency of, this legislation. I find the following statements made in connexion with the operations of Thompson and Company, a large engineering firm, whose works are at Castlemaine:—

One of the marked features of the trade since the financial crisis of 1893, which sealed the doom of the over-capitalized and badly managed concerns, has been the increase in number, both in Melbourne and country centres, of small, well-managed undertakings, and the remarkable rise of two or three of the larger enterprises in the provinces, notably Messrs. Thompson and Co.'s engineering works at Castlemaine.

Mr. MAUGER.—What is the honorable member quoting from?

Mr. JOHNSON.—I am repeating a quotation which I have already given, but which apparently has escaped the attention of the honorable member for Melbourne Ports.

Mr. MAUGER.—At what date was that statement made?

Mr. JOHNSON.—On the 8th November last.

Mr. MAUGER.—To whom?

Mr. JOHNSON.—To an interviewer representing the *Argus* newspaper.

Mr. MAUGER.—Let the honorable member interview their men, and hear what they say.

Mr. JOHNSON.—We are told that the trades are sinking; that the men whose capital is invested in these undertakings are suffering injury as the result of unlimited importations, and that it is to preserve to these men the capital they have invested in these industries and prevent their profits from being diminished, that such legislation as that now before us is necessary. When we have these men themselves coming forward and saying that their industries are in a prosperous condition, that their profits are not being diminished, but, on the contrary, are on the increase, we have a right to consider their statements, and to put them forward as evidence in rebuttal of what is said by honorable members who desire to press forward this legislation with such unseemly haste.

Mr. MAUGER.—The statement quoted by the honorable member is that of the head of a free-trade firm, who pay 1s. per day less than other firms in the same line of business.

Mr. JOHNSON.—I am not prepared to accept any statement of that character coming from the honorable member as being absolutely correct, but there are other firms who have corroborated what Messrs. Thompson and Company have said. Perhaps the honorable member for Melbourne Ports will say that they are all free-traders. Whether they are free-traders or not, they are men who are enjoying the benefits of the existing Federal Tariff, and whose industries are admittedly progressing better under that Tariff than they did under the old Victorian Tariff, which imposed higher duties. To proceed with the quotation—

. and Messrs. A. Roberts and Sons at Bendigo. It is like a whiff of wholesome

country air to learn at first hand what these firms are doing.

Messrs. Thompson and Company have 300 hands engaged.

Mr. MAUGER.—Not now.

Mr. JOHNSON.—This statement was made last November, and I should be very much surprised to learn that there is any very serious diminution in the number of hands engaged by Messrs. Thompson and Company, whilst we know there has since been no alteration of the Tariff.

Mr. MAUGER.—Let the honorable member ring them up and ask.

Mr. JOHNSON.—I am not able to leave the Chamber at the present time to do what the honorable member suggests. The quotation proceeds—

Messrs. Thompson and Company have 300 hands engaged; they are working night and day, and orders are coming in just as fast as they can be profitably dealt with.

As affecting the alleged necessity for this measure, that is a most damaging statement from one of the firms in whose special interest it is supposed to be designed. Mr. Thompson went on to say—

We specialize on mining machinery and pumps; but do other work as well. For many years we have secured the tenders for the railway points and plates used throughout the State. At present nothing is being done in this line, but it will come again. In the meantime we have plenty of other work to engage our attention. We receive orders from all the other States of the Commonwealth. Even Borneo and other Eastern countries send us orders. The Federal Tariff has not injured us. On the contrary the freeing of Inter-State trade from restrictions has been a gain. We put little faith in Tariff assistance. The point of view we take is that if we cannot compete against all comers there will be no strength or stability in our trade.

I am sorry that the honorable member for Melbourne Ports is not now present to listen to this statement:—

Our enterprise began twenty-eight years ago with eight men in a little shanty. The works now cover five acres, and we still want room. We employ 300 persons, and we are kept fully employed year after year. Our trade is growing all the time. We have kept up to date in methods, tools, and appliances. The railway track runs into the works. We generate the electricity for lighting; compressed air is used in working cranes, tools, and appliances all over the place. No detail which will cheapen production is overlooked.

Mr. LONSDALE.—That is wrong.

Mr. JOHNSON.—Yes. Under the latest proposed legislation they will not be able to import these latest appliances, but will have to continue the use of obsolete

machines, lest they be mulct under drastic regulations, framed by the Minister of Trade and Customs, under the measure proposed. Mr. Thompson further said—

Our men, too, grow up with the business, and give us no trouble. There is not the unrest and agitation which appear to exist in large centres, and this is a great gain, both to employers and employes, in important enterprises.

It will be seen from that statement, which is borne out by similar statements made by the representatives of other large engineering firms, that, so far from these industries being in such a condition as to require that special legislation should be passed in a desperate hurry for their relief, to prevent the diminution of the profits of those conducting them, or avert their entire destruction, they are in a most flourishing condition, are growing, and are increasingly prosperous every year. Another reason why I support the amendment is that the indecent haste displayed in trying to force this measure through before the Tariff Commission's reports are presented, indicates that the Minister in charge of the Bill fears that those reports will disclose the fact that there is no necessity for such legislation. The honorable gentleman's action in trying to force this legislation through with such indecent haste, and on an unwilling country, will give rise to the gravest suspicions that this measure, to further enrich men who are already reaping rich harvests from Tariff barriers that hamper competition, must have some other reason behind it that has not been disclosed, and perhaps will not bear the light of day. The Minister cannot well complain if the public are inclined to take a very suspicious view of his action in the circumstances, because such a view would be justified by the fact that the honorable gentleman has not attempted to give any tangible reason for the introduction of such legislation. Still less has he attempted any justification for pushing it forward with undue haste in the face of all the objections urged against it, inside and outside of the House, by representatives of the people, and by those who will be specially interfered with by the measure. My final objection to dealing with this Bill at the present time is because of the disastrous effects that legislation of this kind will have upon the great masses of the community so far as it affects the purchasing power of their earnings. Anybody who has studied the Bill must realize that

regulations framed under it would in the hands of a Minister who was so disposed—and I make no special reference to the present Minister of Trade and Customs in this connexion, but to any Minister who might have very strong leanings in a certain direction—entail immense hardships upon that very section of the community which those honorable members who profess specially to represent labour should endeavour to protect. When a similar measure was introduced last session many of them opposed it, and did so rightly, because of the damaging effect it would have upon the poorer paid classes. But now we find them making a *volte face* for no apparent reason, and showing a disposition to swallow this legislation. The Bill will destroy the chance of working people obtaining bargains at the half-yearly sales for the purpose of clothing themselves and their families. Under this Bill, to hold such a periodical clearance sale, may be made an offence punishable by heavy fine or imprisonment. It is well known that at such sales prices are often reduced far below the ordinary market rates, and when they are so reduced the goods must necessarily come into competition with others which are sold at normal prices. Therefore, I oppose this Bill because its operation will have a most injurious and disastrous effect upon the great wage-earning community, will materially lower the value of their wages, and will lessen their purchasing power by compelling them to pay a higher price for goods. This is one of the most iniquitous proposals that has ever been submitted to this or any other Parliament, and it is marvellous, to my mind, that indignation meetings have not been held from one end of the country to the other in protest against it. I can but surmise that the reason why that course has not been taken is that the people have failed to grasp the true significance of the measure. Many of them, unfortunately, are even ignorant that legislation of the kind is being considered by the Federal Parliament. Even when one talks to men in business, and tells them about the provisions of this Bill, they do not believe that such a thing can be proposed. They do not believe that any Minister or any Government would dare—that is the word which many of them use—to introduce such legislation, or that Parliament would carry it into effect. And yet this Parliament is at the very moment asked to pass such

legislation by the Government of the day. In the face of the evidence of public condemnation which, so far as we have been able to gather, has been manifested wherever the Bill has been considered, I contend that it ought not to be proceeded with at this stage. I, for one, shall therefore heartily support the amendment of the honorable member for Dalley.

Mr. LONSDALE (New England) [4.50].—I also support the amendment of the honorable member for Dalley, because I do not think that we ought to legislate upon this and kindred subjects until we have the fullest information placed before us. There is no need to legislate in a panic. The report of the Tariff Commission will soon be brought before us, and it is very much better to wait until we can study the evidence. The Minister himself, who is supposed to have looked up all the questions concerned with the Bill, exposed his want of knowledge—indeed, he showed his absolute ignorance of many matters about which he spoke. He spoke with an absolute recklessness as to whether his statements were true or false, on some important points. For instance, he referred to the Massey-Harris Company as being an off-shoot of the American Steel Trust. That statement I challenge at once. The Massey-Harris Company is no off-shoot of the Steel Trust. If I am asked for my authority for that statement, I can give it. I have no doubt that the allegation has been contradicted in the evidence before the Tariff Commission. That affords another reason why we should not proceed to legislate upon these false lines. How can we rely upon the statements made by the Minister in introducing this Bill, when we find, on testing some of the most important of them, that they are quite incorrect? The Minister also referred to the International Harvester Company as being in conjunction with the Steel Trust. Now, the International is an American Company, but it has always been in opposition to the Steel Trust. At the present time, it is erecting larger works at Chicago, for the express purpose of fighting the trust. It stands not as a part of the Steel Trust, but absolutely as a competing force. Yet, we are called upon to legislate because we are told that the International Company is in alliance with the octopus Steel Trust of the United States! I have gleaned some useful information on this subject from an American publication called *The Farm Implement News*, of which

I happened to get a copy the other day. It contains an article which states that never on any occasion has the International Harvester Company had any connexion by agreement or otherwise with the Steel Trust, but has always been in competition with it, and is at present extending its works for the express purpose of increasing its competition in other directions. We ought to have the evidence taken before the Tariff Commission in our hands before we legislate, in order that we may test the statements of the Minister from the sworn evidence of witnesses. Speaking with regard to sub-clause 2 of clause 14, under which persons are prevented from giving large commissions to agents, the Minister quoted the words—

If the person importing or selling the imported goods directly or indirectly gives to agents or to intermediaries disproportionately large reward or remuneration for selling or recommending the goods—

Thereupon the honorable member for Corinella interjected—

Disproportionately with what?

And the Minister replied—

That means beyond the ordinary trade charges. It has been clearly and repeatedly exemplified in the case of the Massey-Harris Company and the International Harvester Company. It has been stated that in pushing the machines, commissions to the extent of some £26 and £30 have been given for selling single harvesters, where it has been said only cost £40 each.

That statement is not correct. I will not use a stronger term, because it would be unparliamentary, but I repeat that it is not correct. The chairman of the Tariff Commission was present, and interjected—

They amounted to 26 per cent. on the selling price.

That statement I also challenge. I venture to say that if the evidence taken by the Tariff Commission were before us, it could be proved from it that neither the statement of the Minister of Trade and Customs nor that of the Chairman of the Tariff Commission was accurate. We have no right to legislate on statements of this kind. The evidence will show that the 26 per cent. includes the whole of the distributing charges, and not merely the commission, which amounts to about £6 per machine. I will not say that the statements I have quoted were made for the purpose of misleading the House, but still they were misleading, even if made honestly. Ought we, on the basis of such misleading remarks,

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to pass legislation of this drastic character without waiting for the sworn evidence of witnesses to be placed before us? The statement of Mr. Coxon was alluded to. He is, no doubt, an honorable man, a man of the highest repute. No one questions that. He said, in his affidavit which was quoted, that he had been told by the International Harvester Company's agent that the company meant to crush out Mr. McKay and the other local makers. But what commercial traveller does not make statements of that kind? What traveller does not talk about his firm crushing out its rivals? Even if a representative of the International Company did make such a statement, are we going to legislate upon such a basis? Is all the legislative machinery of this Parliament to be put in force upon the statement of a commercial traveller in pushing his business? Just imagine that this Parliament, which we were assured was going to attain to a higher plane than the State Parliaments have done—which was to lift the public life of this country into a nobler and serener atmosphere—should be considering a Bill introduced simply in the interests of one or two firms? Are we, who are supposed to occupy these high and noble positions, to pass laws in the interests of a couple of manufacturers? If local firms are being injured by the importations of harvesters and other machinery, if the price is being kept down by them, then, of necessity, that injury is a benefit to the great bulk of the community. But the local manufacturers are not being injured. I have looked at part of the evidence which has been issued to us by the Tariff Commission, and I give an absolute denial to the Minister's statement that the local manufacturers are being injured by foreign companies. I am not here to advocate any man's business. It is an outrage that any one should come here to try to bolster up or protect any business. Our duty is to safeguard the interests of the people as a whole. We are not sent here to seek to advance the interests of individual concerns or individual men. But the Minister is doing that. He stands here and makes statements, some being correct and others misleading, and I challenge him to give any proof which will be taken in a court of law that the local manufacturers of harvesters are being ruined by importations. According to the evidence which has been issued to us, these gentlemen have refused to let the Tariff

Commission know, either confidentially or otherwise, what their profits are. They have admitted, however, that they are doing better than they did before the Tariff was altered. They have admitted that their business has not gone back. That admission is quite enough to satisfy us that they are doing better than they did previously. If we examine the figures to which they have sworn, we must come to the conclusion that they are making a profit of £20,000 or £30,000 a year. This is a sample of the strangled industries which the House is called upon to help by passing a Bill of this character. We are called upon to help men who are filling their pockets at the expense of the farmers, who are standing for high prices, who are not seeking to use the positions they have for the benefit of themselves and others, but who are seeking to destroy the competition which stands between them and the crushing of the farmers to the fullest extent possible. We should receive the report of the evidence taken by the Tariff Commission before we move one step in the direction advocated by the Minister. If the House is true to its dignity and power, it will tell Ministers that until that information is available it will not deal with the Bill. At the present time, in the shape of duty and importing charges, there is a difference of £20 per machine in favour of the local manufacturers. Surely that is enough protection for any business to have! It is an absurdity to suggest that they cannot compete with outside manufacturers when they enjoy that large measure of protection. Right through, all this cry about injured industries has been simply absurd. Should we not have before us the report of the Tariff Commission, so that we may learn whether dumping is an injury, and, if so, under what circumstances it is—in fact, whether there is any dumping done in the proper sense of the term? We may have a degree of dumping which reduces the price of an article, but which increases employment in the country where the dumping is done. I do not know whether the Tariff Commission has taken up that aspect of the question, but, if not, it ought to deal with that and all other aspects of the subject. In the days when sugar was dumped into Great Britain at a cheap rate, and when there was an idea throughout the Kingdom that the refining industry was being injured thereby, what happened? A Select

Committee was appointed to inquire into the matter, and they discovered that the refineries were injured by the dumping. According to this Bill, cheap sugar should not be allowed to come in, because it would put men out of employment. But what further happened in England? Not only were the great mass of the people benefited by the reduction in price, but in all the industries which needed sugar as a basis, such as the confectionery, jam-making, and biscuit industries, three men went into employment for every one man who was put out of the refineries. Under the provisions of this Bill, however, that could not occur. We are practically asked to look after one industry, and let the other three suffer. There are circumstances when dumping, as it is called, is of the greatest advantage to the community. We cannot possibly deal with this question on fair lines until we are in possession of the report of the Tariff Commission, and can learn the extent to which dumping has gone on, and whether it is an evil or not. My opinion is that no dumping is an evil. I should like people to dump into my back yard everything I want. I certainly would not look upon the dumping as an evil. I really cannot understand men talking as they do about dumping.

Mr. FRAZER.—It would not matter about the honorable member's neighbours starving.

Mr. LONSDALE. — My neighbours would not starve. The interjection shows how much the honorable member understands the economics of the question. We cannot get things for nothing. If people got things for nothing, they would not want to work. We all try to do as little work as possible. Nobody wants to work any more than is necessary. I do not know a man in the community who does. If we could get all the comforts we needed without working, we should be quite prepared to accept the position. And if we want an article from another country, we must employ our labour in producing the article which we are best able to produce, and exchanging it for the article we want. If one can buy a pair of trousers for the proceeds of half-a-day's work, that is better than having to give the proceeds of a full day's work. When Mr. Chamberlain succeeded in getting the Sugar Convention denounced, the price of sugar in England was raised. That may have helped the sugar planters in the West Indies, and the

refiners of England. But what happened? There was an outcry that the confectionery and every other industry of that kind had been injured, and that a large number of persons had been thrown out of employment because of the increase in the price of sugar. Under the provisions of this Bill, however, if an article came here at an increased price, it would not be touched; whereas in England the increase in the price of sugar put more men out of employment than did the reduction. If we are to legislate on the subject of trusts, let us legislate as men, and not because we have a sort of hatred against capital. If large aggregations of capital are injuring the community as a whole, then let us seek to regulate and control them, but let us legislate in a proper spirit, and in the light of all the information which is available to us. From an address delivered by Mr. Dos Passos before the Industrial Commission at Washington, I desire to quote a few extracts concerning the regulation of commercial trusts. In his address he quotes the following passage from Buckle:—

Every European Government which has legislated much respecting the loss of trade, has acted as if its main object were to suppress the trade and ruin the traders. Instead of leaving the natural industry to take its own course, it has been troubled by an interminable series of regulations, all intended for its good, and all inflicting serious harm. By their laws against usury they have increased usury.

After reading that extract from Buckle, Mr. Dos Passos addressed the Commission in these terms—

Not that I wish to see you go out of existence; I would continue you and your successors for ever. A commission of inquiry is the instrumentality that stands between extravagant and demagogic demands, and good sensible business judgment and the true interests of the people; it is the tribunal through which every question of currency or Inter-State commerce and other great public subjects should pass. Conclusions filtered through such a source must be based upon facts, and not speculations; and when laws are framed after such study, the people will not see any Sherman Anti-Trust Acts, or multitudes of other laws, unexecuted upon the statute books, and which make the law a byword and a reproach. The inability of courts to carry out such statutes, and give them effect, is because they are not based on any reasonable or sensible principle of legislation.

Nobody can read the speech of the Minister of Trade and Customs in moving the second reading of this Bill without realizing how much that statement applies to his assertions. His speech con-

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tains nothing which is reasonable or wise. It is marked by recklessness from beginning to end. It contains scarcely any statement which cannot be challenged. Before we proceed with this measure, therefore, we should have the report of the Tariff Commission. Mr. Dos Passos goes on to point out in his address how utterly futile in many cases is legislation directed against trusts. He says—

The most notable example, however, of this species of legislation is to be found in this country, and it grew out of speculations in gold, which caused an enormous agitation and excitement in Wall-street, as you, gentlemen, can remember from history, perhaps some of you personally. The effect and influence of the speculation in gold, it was thought, was so detrimental to the interests of this country, that Congress was invoked to pass a statute to prevent it, and it promptly did it; it passed a law in 1864, in June of that year, which you will find in the United States statutes, by which it was made a crime for persons to sell and deal in gold unless they were the owners of the coin.

Now, what was the effect of that statute? So absolutely ineffectual, futile, and absurd was the legislation, that gold went up thirty points the next day, and fifteen days afterwards, by the same Congress, the Act was repealed because it was regarded as being absolutely detrimental to the interests of the country.

That is just the sort of panic legislation which the Government have introduced, and their reason is the great ruin which it is supposed will overtake us because of the reduction in the price of harvesters to farmers. The Government desire to keep prices up, and still further enrich certain rich manufacturers. It was, I believe, the Attorney-General who, a year ago, pleaded with the House, in the interests of poor people, who otherwise would not be able to satisfy their needs and obtain a Christmas dinner, to pass a measure of this kind before we separated. But the fact is that we have at present everywhere in the Commonwealth greater prosperity than we then had. Had we passed the Bill as we were asked to do, it doubtless would have been declared to be the cause of the prosperity. I regret that the honorable member for Melbourne Ports is not within the Chamber, because I wish to refer to the statement made by him, when the honorable member for Lang was speaking, that Messrs. Thompson and Company are a free-trade firm, who pay their men a shilling a day less than is paid to the employés of other firms in the same line of business. I wish to tell the honorable member for Mel-

bourne Ports that it is my intention to communicate on the matter with Messrs. Thompson and Company, because, in my opinion, a statement of that kind, if it be a slander, should not be allowed to go unchallenged in this House. I have heard extraordinary statements before from the honorable member for Melbourne Ports, and have challenged, and successfully challenged, them; and it is well that legislation of this kind should not be based on allegations which cannot be substantiated. The Minister of Trade and Customs, it will be remembered, has declared that he never interviewed any manufacturers in regard to the duties and the kind of legislation with which we are now dealing. I interjected across the table that there had evidently been some statements made to the Minister in regard to duties; but the honorable gentleman declared that that was not so. When introducing the Bill, and speaking of the competition between the Standard Oil Company and an oil company in Australia, the Minister of Trade and Customs said that in New South Wales—

A company with a very large capital—I think that the nominal capital amounts to £600,000 or £700,000—

the Minister has since stated that the capital is £800,000—

is building a railway from near Clarence Siding to shale deposits some miles distant, at a cost of £80,000. The manager told me that, if the company were protected, he had not the slightest doubt as to the success of their venture, as they have enough shale to last them for any reasonable time.

There can be no doubt, therefore, that the Minister was approached, and that he has been approached from all directions by men who want this kind of Bill. It is the intention of the Minister to prevent the Standard Oil Trust from competing with shale oil manufacturers in Australia, and doubtless he will call the competition unfair, because the American company happens to possess natural oil wells. In the interests of that great bulk of the community who use kerosene, such a power ought not to be given into the hands of any Minister. No man should be in a position to prevent, at his own sweet will, the importation of commodities. The fact is, this Bill is introduced for protective purposes entirely; and before we take one step further with a measure which is fraught with such important consequences,

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and which enables a Minister to a large extent to prevent importation, we should have the clearest evidence, even though the report of the Tariff Commission does not arrive this session, as to the evils which are said to exist, but which, in my opinion, do not exist. I shall vote for the amendment; and if we cannot have evidence of the kind I have indicated before us, I shall, at any rate, endeavour to make the measure much less drastic than it is in its present form.

Mr. R. EDWARDS (Oxley) [5.23].—Owing to the state of my health, I had decided not to speak on this Bill. I desire, however, to express regret that the Minister of Trade and Customs should have introduced the measure before receiving the report of the Tariff Commission, which has visited every State, and taken evidence in many places—evidence which no doubt will be of great value when the question of the Tariff is before us. It is to be regretted, as I say, that the Minister is not prepared to withdraw the Bill until we have the report of the Commission, especially in view of the statement made by the Chairman of the Commission this afternoon, when he gave us to understand that in three weeks, at the latest, that report will be laid on the table of the House. Some very excellent speeches have been made both for and against the Bill, and some of the most excellent of the latter class have come from supporters of the Government. I am utterly opposed to this drastic measure, as one likely to interfere with the freedom of trade, commerce, and manufacturing within the Commonwealth. That is a very serious charge to make; but the Bill is certainly not a measure for the preservation of Australian industries. The title of the Bill is not correct, and should be amended, seeing that the effect of the measure is more likely to be to destroy industries and to drive capital from Australia. With such an Act on our statute-book, along with other restrictive legislation already passed by this Parliament, no man of capital would dream of investing with the object of establishing new industries in Australia. It has been said over and over again by honorable members on the other side of the House that this Bill is in the best interests of the working people generally. My own opinion is that the working people will be the greatest sufferers under such legislation, seeing that it is bound to bring

about less work and lower wages. Yet the great want of the country is more work for people who are willing to work. We are told by those who are supposed to know that there are no fewer than 5,000 adult working men unable to obtain work in Melbourne, and no doubt large numbers are out of employment in other Australian cities. Yet we do not find the Government introducing any legislation which might tend to increase employment. This is a matter which deserves the consideration of the Government very much in preference to measures of the kind before us. The Bill proposes to place immense power in the hands of the Minister of Trade and Customs. It is made an act of dishonesty for a business man to compete with imported goods, while a man may sell goods made in Australia at as low a price as he likes. It is not right that such power and responsibility should be placed in the hands of any Minister. I do not mean to say for one moment that we cannot trust our Minister of Trade and Customs, but it is a mistake to confer such power by the Bill. As I have said, the present Minister is not likely to be tempted to do anything wrong, but the power is there, and we may not have the present Minister in office for all time. If the Bill were intended to deal with trusts only, it could be understood; because, no doubt, there is, and has been, a great deal of evil in connexion with monopolies. But the present Bill is so framed as to affect individual traders, and it is a very serious matter when the freedom of the subject is taken away—when a Bill is passed which so affects individual traders that they are not able to carry on business as they have hitherto done. The public will suffer from such legislation, because of the higher price which must be demanded for commodities if business men are to make their enterprises pay. If the Bill be passed, every business man, I imagine, will go about in fear and trembling of the Minister of Trade and Customs. Traps will be laid for business men, and they will always be getting into difficulties. One or two honorable members have mentioned this afternoon that it would not be possible for dealers in softgoods to hold the half-yearly sales to which the public have become accustomed, and there will consequently be no bargains to be had, which will be a serious loss to many housewives. In my opinion, it is a very unfortunate thing that this Bill has been introduced to inter-

ards.

fere with the business concerns of the people of the Commonwealth. It will not permit any person to buy cheaply in foreign markets, and to sell at low rates in this market the goods so purchased, because that would be regarded as unfair competition. The *Brisbane Daily Mail* says that the definition of unfair competition contained in the Bill is little short of ridiculous. Competition is to be deemed unfair, if imported goods are being sold under circumstances that will probably lead to either the withdrawal of Australian goods from the market, or their sale at a loss, unless produced at a lower remuneration; if the means adopted by the seller are "in the opinion of the tribunal, unfair"; if the importer or seller is a commercial trust; if the competition would probably or does result in lower remuneration for labour; if it disorganizes Australian industry, or throws the workers out of employment; if the imported goods have been purchased in the country of production at a price lower than the ordinary cost of production or market price in that country; if the goods are sold at a price which does not allow the importer a fair net profit; or if the importer or seller of imported goods gives to agents or intermediaries a disproportionately large reward or commission for selling or recommending the goods. My principal reason for rising was to place before the House a telegram which I received late last night. It was sent by an influential organization, the Associated Softgoods Warehousemen of Queensland, and is as follows:—

At a meeting of the Softgoods Warehousemen's Association held yesterday, it was resolved to wire you as follows, that the Softgoods Warehousemen's Association of Queensland, whilst in accord with legislation suppressing harmful trusts, both Australian and foreign, so far as they affect Australian industries, strongly object to such interference with trade as is provided for in the Bill entitled an Act for the Preservation of the Australian Industries, and for the Repression of Destructive Monopolies, considering the provisions of such Bill, as presented to Parliament, most inimical to merchants, workers, and consumers, particularly the latter, and further, consider that if the Bill is to become law it should be so altered as to provide safeguards against Inter-State as well as foreign dumping, and also alterations should be made in the proposed judicial conditions, especially with respect to the powers conferred on the Minister and Comptroller-General by vesting jurisdiction in the Federal Court alone.

GEO. S. HUTTON,

Secretary Associated Softgoods Warehousemen of Queensland.

I propose to support the amendment, urging, as other honorable members have done, the postponement of the consideration of the Bill until we have received the reports of the Royal Commission on the Tariff. The delay which is asked for will be but short, and, in my opinion, those who are making the request for a postponement are asking only for what is fair and reasonable.

Mr. CAMERON (Wilmot) [5.35].—A careful perusal of the Bill shows me that it is intended to achieve two objects—to prevent foreign competition with Australian manufacturers, and to prevent persons engaged in trade from injuring the Australian public. The second object ought to be considered the more important one; but it has been largely lost sight of by the Minister in his efforts to protect Australian manufacturers from the competition of foreigners. As a matter of fact, almost all those engaged in business in Australia from time to time enter into combines, which, if the provisions of the Bill were strictly enforced, would be illegal. Therefore, if the Bill is administered as the Minister apparently intends to administer it, injury will be done to Australian traders. For instance, the flour-millers periodically hold meetings, and enter into agreements to control and regulate the prices of flour. If these arrangements were prohibited, as the result of the passing of the measure, while the buyers of flour might benefit in some cases by the lowering of prices, the farmers would suffer, because flour-millers, not knowing what their competitors would give for wheat, would buy at as low a figure as they could, in order to protect themselves against competition. Then, again, the banks periodically enter into agreements as to the rates to be paid for money deposited with them, and to be charged for money lent by them. A dying Parliament such as this is—because we have now only a few months of existence—should not legislate on a subject of this kind, because the views of the electors are not known in regard to the matter. Certainly, I have heard no demand from persons engaged in trade for such legislation as is proposed. Most of the clauses of the measure deal with foreign competition. It seems to be generally admitted that the Government have been forced to introduce the Bill at the instigation of protectionists, and notably of Mr. McKay, a manufac-

turer of harvesters. The State, a constituency of which I represent, is not interested in this matter, because harvesters are not used there. Therefore, I can take an unprejudiced view. It seems to me that we should hesitate before legislating at the instigation of a man who desires to prohibit foreign competition in order that he may obtain as high a price as he can get for his implements. The Minister of Trade and Customs, when moving the second reading, referred to other combines. He spoke, for instance, of the Australian shipping combine, which may to some extent injure a section of the public, though, so far, there has been no demand for legislation to put an end to it. He also spoke of dealing with the Standard Oil Trust. In my opinion, however, it is absolutely impossible to legislate against the operations of that combine, because it has really no competitors producing oil of a quality equal to that sent here by it. We know that Russian oil is imported into Australia, but it is not of a quality equal to that of the oil sent here by the Standard Oil Trust, being serviceable only for use in connexion with machinery. The Minister, however, told us that if it were possible to carry into effect the protection which he desires, a company would commence on a large scale to manufacture oil for lighting purposes from the extensive deposits of shale which exist in New South Wales. The honorable gentleman has been a Minister, except for a very short interval, ever since the first Federal Parliament was elected. He was a member of the Ministry which introduced the present Tariff, and allowed kerosene to be imported duty free. Why was he not prepared to give an opportunity to the shale company of which he speaks by imposing a duty of 3d. or 4d. a gallon upon oil, such as had been in force in most of the States? Or why does he not wait until the Tariff Commission's reports have been received, and then ask for such a duty? As a matter of fact, he is simply humbugging us. The one object in his mind is to benefit the local manufacturers of harvesters. We were told last session that the International Harvester Trust is ruining the Australian manufacturers of harvesters, and the object of the Minister in introducing the Bill is to protect the latter, to the injury of the users of harvesters throughout the Commonwealth. He has not the slightest intention of taking action against the Standard

Oil combine, or against any other similar combination. That, at all events, is the logical deduction from his speech and his past actions. Part III. of the Bill deals with dumping, which, as I understand it, is the importation of goods in large quantities to be sold at low rates, to the injury of competitors. Dumping, however, is of great advantage to the community, in enabling purchasers to obtain their requirements in certain lines very much more cheaply than they could buy them under ordinary circumstances. This House should not lose sight of the fact that there is more than one company in the world doing business with Australia, and that whilst dumping operations might disastrously affect some local competitors, it would, undoubtedly, confer a benefit upon the consumers generally. Further, there is more than one competitor in any given product, and if dumping were continued for any considerable period, the community as a whole would reap the benefit. There can be no question of that. It is not unreasonable to say that at no period in Australian history have we found the practice of dumping injurious to the great majority of the people. I do think that we should hesitate before we assent to a Bill which will have the effect of preventing dumping in the future. During the course of this debate, we have been repeatedly told that the operations of trusts are injurious to any community. It is a very curious circumstance that the principal trusts in the world are to be found in the greatest protective country in the world, namely, America. Seeing that these combinations are usually called into existence in protectionist countries, surely that should be an inducement to us—should we be called upon to re-open the Tariff—to reduce the duties at present operating as much as possible. We were also told the other night that in America some fifty-two Acts had been passed by various State Legislatures, for the purpose of dealing with trusts. But, despite all this legislation, there are more trusts in the United States to-day than there were prior to its enactment. Is not that very significant? All the restrictive legislation that has been passed there has been powerless to prevent the formation of trusts in America. The largest combinations in the world are to be found there. In this connexion, I might instance the Standard Oil Trust, which is controlled by Mr. Rockefeller, and the Meat Trust, which is controlled by Mr. Armour. Those gigantic

Mr. Cameron.

combinations are flourishing now quite as much as they did before the anti-trust Bills were passed into law. Under the circumstances, I earnestly implore honorable members to pause before they assent to the proposals of the Government. In the course of a very few months, the electors of Australia will be afforded an opportunity of reviewing our work, and of approving, or otherwise, of the various measures which have been submitted for our consideration. I therefore appeal to honorable members not to place upon the statute-book what, to my mind, is a hasty and ill-conceived measure, and one which will not benefit the public, though it may be to the advantage of particular individuals.

Mr. KELLY (Wentworth) [5.50].—I feel a certain amount of diffidence in approaching this question, as I have already dealt with the second portion of the Bill, upon the motion for its second reading. But since I last addressed myself to it, the honorable member for Dalley has taken up an attitude in regard to the measure which materially assists my position. When I discussed the Bill previously, I endeavoured to draw the attention of honorable members to its extraordinary vague wording, and to the curious want of clear definition of the terms used throughout it. I pointed out that although there were constant references in the measure to "monopolies," nobody seemed to be absolutely sure what was intended to be conveyed by that term. I showed that the combination which we have always regarded in Australia as an absolute monopoly—I refer to the tobacco monopoly—had been reported upon by a Royal Commission, composed chiefly of members of the Labour Party, in the following terms—as will be seen by reference to page 8 of its report:—

'We find that the Combine is a partial, but not a complete, monopoly.'

I ask members of the Labour Party whether they do not think that we should pause before passing a measure which is designed to deal with certain evils, but which we do not know will actually touch the abuses that we desire to regulate? I have already shown how vague and unmeaning, from my point of view, is the phrase "restraint of trade," the arrangement of the terms "producers, workers, and consumers," and also the phrase "to the detriment of the public." I now propose to advance additional reasons of a similar nature, which I hope will induce

the Government to accept the amendment of the honorable member for Dalley. The Ministry are asking us to pass this measure hastily.

Mr. WILKS.—It is panic legislation.

Mr. KELLY.—It is panic legislation, seeing that the House is actually unaware of the meaning of the Bill in essential particulars. The criticisms which have been levelled against it from all sides of the House have been of the strongest. The criticism of honorable members who are allegedly supporting the Government clearly shows how badly drawn the measure is, and how necessary it is to radically amend it. Doubtless the Government will say: "All this is true. The Bill does require amendment. Let us therefore hasten into Committee, where it can be amended." My reply is that there has never been a Bill presented to any Parliament in Australia which has been so carefully drafted with a view to resisting the possibility of amendments as has this measure.

Mr. WILKS.—It has been done designedly. It is the clever draftsmanship of the Attorney-General.

Mr. KELLY.—If that be so, I say that his clever draftsmanship is not in the best interests of this Assembly. When we get into Committee, and seek to embody in the Bill amendments which I think the House will indorse, we shall find it almost impossible to give effect to them. The Attorney-General knows what curious shades of difference there are between the various clauses of the Bill, and how many consequential amendments will be rendered necessary to give effect to any material alteration. The honorable and learned gentleman no doubt thoroughly recognises the truth of what I am saying. He has probably addressed himself to the arrangement of the measure with all the legal acumen and skill that he is known to possess, with a view to rendering its amendment almost impossible. From the happy and conscious smile upon his face, I believe that my statement is accurate. Recognising that the Bill is deficient in all these particulars, and having regard to the very keen criticism to which it has been subjected by all sections of the House, I hold that it is not right for us to go into Committee with undue haste, and that we should refer the Bill back to the Ministry, with a request that they should present us with a measure which will be more reason-

able and less destructive in its incidence. I wish now to ask the Government—and I see a very talented member of it occupying a seat at the table—what is the exact meaning of the word "public" in the phrase "to the detriment of the public"? Does it mean the trade, or does it mean the consumer? It is only fair that I should receive a reply to such a simple question. Honorable members are invariably treated with courtesy by some Ministers, including the Minister of Home Affairs, and therefore I ask him what is the meaning of the phrase "to the detriment of the public"? Does it mean to the detriment of the trade, or to the detriment of the consumer generally? Seeing that the Minister refuses to vouchsafe a reply, I suppose that I must supply the answer myself. It must be obvious to honorable members that to read "the public" as "the trade" in this connexion would mean relying entirely upon trade competitors as to when these provisions would be enforced. Therefore, I take it that the word "public" must mean the great Australian public, which constitutes the consumers.

Mr. WILKS.—It means the great Australian "bite," then.

Mr. KELLY.—My honorable friend is right. If restraint of trade to the detriment of the public means restraint of trade to the detriment of the consumer, I think that all legitimate profits will be covered by the phrase "restraint of trade," because every shilling that a trader adds to the cost price of any article is to the detriment of the consumer. If every shilling that the trader adds to the cost of an article is to the detriment of the consumer, it must be "in restraint of trade." Therefore, I say that this phrase, as used in this Bill, covers any legitimate profit, however small and reasonable it may be. Knowing that this phrase may have this meaning, it will be admitted that it is so vaguely drawn, that I am justified in asking the Ministry to accept the suggestion of the honorable member for Dalley, and take the measure back for further consideration. We shall be told, in answer to what I have just put before honorable members, that there must be an agreement between persons to fix profits before any question of illegality can arise. This means practically that bankers will be unable to arrange the rates of overdrafts, exchange, and discount. These are points I wish to commend to the

earnest consideration of the House. The Bill as it stands at present, will undoubtedly prevent bankers from arranging rates of overdrafts, discount, and exchange. There can be no doubt that a bank is a commercial trust according to this Bill, which provides that a—

“Commercial Trust” includes a combination whose voting power or determinations are controlled or controllable by the creation of a Board of Management or its equivalent.

A bank, therefore, is a commercial trust, and its operations may extend beyond the boundaries of any one State. Therefore, a bank will, in future, if this Bill is passed in its present form, be prevented from arranging rates of overdraft, exchange, or discount. That is a serious position for honorable members to face. The House should pause before it hastily passes any measure of such far-reaching importance. I direct the attention of honorable members to another point. Suppose two people acting in conjunction, have bought any goods at a high price, and find immediately after purchasing that the market for them is falling. These people will form a commercial trust under the interpretation clause of this Bill, because they are bound by an agreement, and they will be unable to hold on to the goods they have purchased in anticipation of the market for them becoming favorable again. They will have to sell at once, because, if they hold, their action will be considered a restraint of trade. For them to hold on in the hope of profitable selling means to prevent somebody else from cheap buying, which is an obvious restraint of trade under this Bill as it stands. I therefore again suggest the necessity for referring the Bill back to the Government. I ask honorable members to consider the position in which that great newspaper, the *Melbourne Age*—the second newspaper in the city of Melbourne—which is doing all it can to secure the hasty passage of this measure, will be placed if the Bill is passed as it stands. The *Age* proprietary is undoubtedly a commercial trust. The *Age* advertises that it has a circulation in all the States, and it is therefore an Inter-State concern. In almost every issue it deliberately does all it can to discredit the sale of the rival newspaper in this city. Is the *Melbourne Age*, with its extravagant statements of its own circulation, and misleading statements of its rival's powers, not to come under the provisions of this Bill? If the

Mr. Kelly.

Age is successful in injuring the business of its great rival, that is surely a restraint of trade.

Mr. SPEAKER.—Does the honorable member suggest that that question is affected by the Tariff Commission's report?

Mr. KELLY.—I say that this consideration is one which should induce the Government to take the Bill back if for ever so short a time, with a view to its being re-drafted in order to prevent such a possibility as I have suggested arising.

Mr. SPEAKER.—Does that touch the report of the Tariff Commission?

Mr. KELLY.—I do not wish to provoke or to evade a ruling by you, sir, but my point is that this measure has obviously been so hurriedly and vaguely drawn that its amendment in Committee will be practically impossible, and I am suggesting additional reasons why it should be withdrawn from our consideration at the present time, with a view to its re-introduction in a better form. I shall not labour the question as to what might happen in the newspaper trade. There is not the slightest doubt that the design of every trader in any industry is to secure profit for himself, and he can only secure his profit from some other trader. Curiously enough, under this Bill, any trader outside of Australia, when guilty of entering into competition with an Australian trader, is guilty of unfair competition, because his action is bound to interfere with some Australian industry. In the following cases, trade is *ipso facto* unfair:—In the first place, when the trader is a commercial trust, and I have shown that a firm can be a commercial trust. In the second case, when, as a result of its competition, there will be a probability of a lower remuneration to labour. In the third place, when its competition will lead to the throwing of workers out of employment in an Australian industry. In all these cases competition is bound to produce these results to a greater or less degree. I asked the House on a previous occasion to seriously consider that question, but some honorable members do not consider these questions in the House if, indeed, they consider them anywhere. I suggest these considerations as reasons why the Bill should be withdrawn for the present. Another reason why the Bill should be withdrawn, and radically amended before it is again submitted, is that it contains a subversion of the principle of trial by jury. Trial by

jury was introduced to insure a man getting a fair trial from his fellows—those who understand his mode of life and can sympathize with him in every way. But trial by jury under this Bill is trial, not by those in sympathy with the defendant, but by those whose trade interests, and whose very means of livelihood, must make them anxious to secure his punishment. That, I take it, is a subversion of the principle of trial by jury. On the question of a lower remuneration of labour, I suggest to the Government that it must involve less pay for the same work, or more work for the same pay. If it means less pay for the same work, shearing machines are obviously unfair, and any one who employs them is guilty of unfair competition, since their use enables more sheep to be shorn in a day than could be shorn without their use.

Mr. SPEAKER.—I am afraid the honorable member is not referring to the amendment.

Mr. KELLY.—I am giving reasons why the Government should take the Bill back and reconsider its provisions. I do not wish to labour the point, as I can see the difficulties of the position, but, similarly, I suggest that the use of monolines and linotypes involves unfair competition, and it is clear that the Bill, as it stands, would have such far-reaching effects that the Government might well withdraw it before it is too late. Every invention discovered and applied must necessarily throw workers out of employment. That is something which the Government have obviously not taken into consideration. Every invention discovered displaces labour in some form or another, and in so far as it does it is unfair competition. It is clear that the scope of this Bill is far wider than the framers of it originally intended. In this connexion I say that the successful countries of the world are those in which the inventive genius of mankind has received the greatest encouragement. If, by any action taken in this House, we do anything to destroy the inventive genius of the Australian people, we shall hamper and restrict Australian progress, and finally ruin the country. I do not think that it is too much to ask the Government to withdraw a measure which they have once submitted to this House. This Government has often taken that course in the past. I am aware that other Governments have found some difficulty in so doing, but it is within the recollection of all of us that this Govern-

ment withdrew, on half-a-dozen occasions, whole sets of amendments, which were in themselves almost complete Bills, dealing with the question of union labour. They have framed amendment after amendment, and have withdrawn them and substituted for them other amendments as far-reaching as an ordinary Bill. I do say that a Government which has shown such facility in this direction, and which has earned such a reputation for never knowing its own mind, should have no objection to withdraw this measure for two or three weeks, in order that it might be re-introduced in a more complete form. I propose, in conclusion, to say a few words on Part III., as every one knows it purports to deal with the alleged evil of dumping. I use the word "alleged" advisedly. Before we are asked to take up public time in the consideration of a measure, it is obviously the duty of the Minister in charge of it to show cause for it. I say, without fear of contradiction, that, so far, no cause has been shown for passing Part III. of this Bill. Such cause might be waiting for us in the reports of the Tariff Commission referred to in the amendment. The Minister has not been able to show any cause, the few statements the honorable gentleman made in this connexion having since been proved conclusively to be absolutely without foundation. There may or there may not be a cause for the introduction of Part III. of this Bill in the Tariff Commission's reports, but I believe that the evidence awaiting us in those reports will show that there is no cause for the passing of a measure of this character. The Tariff Commission's report on agricultural implements has been circulated amongst the members of the Commission since 12th June. Its report on harvesters, which we were led to believe last session formed the absolute crux of an important part of this Bill, was circulated amongst the members of the Commission only yesterday. It is well known that until the Commission corporately considers its proposals, it is impossible for any of its members to divulge any portion of the reports. So that until a report is approved as a whole, this House is absolutely debarred from any opportunity of participating in a knowledge of the evidence which the Commission has secured. To proceed with the Bill without these reports is tantamount to saving that the Government and the Minister of Trade and Customs regard the

Commission as futile, and its proceedings as a farce. Does the Minister regard the work of the Commission as of so little worth, that he is not prepared to wait a day or two in order that the House may be in possession of the evidence acquired?

Sir WILLIAM LYNE.—It is a very important Commission, but this Bill has nothing to do with it.

Mr. KELLY.—The Minister has told the House on many occasions that this Bill is intended to settle the harvester difficulty. But now he attempts to make us believe that the report of the Commission has nothing to do with the business before us. What has the Tariff Commission to do? Has it not to make recommendations to Parliament as to the incidence and working of the Tariff?

Sir WILLIAM LYNE.—It is to give us a good Tariff to discuss.

Mr. KELLY.—I understand that the work of the Tariff Commission is not to give us a Tariff, but to make recommendations.

Sir WILLIAM LYNE.—I have no doubt that it will be a nice Tariff.

Mr. KELLY.—The Minister surely does not mean that the Commission is going to frame a Tariff for us. It has collected evidence upon which we are to judge of the fitness of its recommendations. It is in the collecting of the evidence, and in boiling that evidence down in its reports, that the work of the Commission will be of such inestimable value to Parliament. To say that the evidence collected has nothing to do with this Bill, which aims at the very root of Customs administration—

Sir WILLIAM LYNE.—No; this Bill has nothing to do with the Tariff.

Mr. KELLY.—Evidence has been taken on the very point whether or not additional relief is to be afforded to the harvester industry of Australia. The Minister himself has quoted from part of the evidence given before the Commission. One side of the evidence is at least quite as biased as the other. Should not a deliberative Assembly have both sides before it when it gives its verdict? As the Minister himself has endeavoured to gain supporters for his Bill by quoting one side of the evidence, the least he can do is to give us an opportunity of judging for ourselves the whole of it. The Minister declared in his speech, on the authority of some over-keen traveller, that the intention of the American manufacturers of harvesters was to break down the Australian industry. The Tariff

Commission has considered that very point. We ought to have a chance to become seized of the evidence with respect to it. The central idea of the clauses of the Bill under consideration, which I hope the Minister will withdraw from our consideration for the time being, is to restrain unfair competition. But, curiously enough, under the second sub-clause of clause 14, the onus of proving whether or not an industry is being unfairly conducted is thrown upon the defendant. The Government may think that the occasion merits such a departure from British traditions of justice, but before asking the House to decide that so serious a condition of affairs has arisen as to justify that proceeding, an opportunity should be given to us to judge for ourselves.

Mr. FRAZER.—One excuse is as good as another.

Mr. KELLY.—I dare say that the honorable member thinks so, but nothing can excuse him from making disorderly interjections. Under this Bill a trader is proved to be guilty if he and another agree to sell goods together. There is one point that I do not think has been sufficiently dealt with, and I propose to touch upon it. A trader is presumed to be guilty if a disproportionately large selling commission is paid to his agents. It is well known that commissions vary in their relative value without there being necessarily any dishonest purpose. How would this position affect commercial travellers? The keenest traveller surely should get the best reward. If we pass this proposal we shall reduce to a dead level a whole class of our fellow citizens. No man who is keen will have an opportunity of getting a better reward than another. If that idea fits in with the socialistic or communistic principles of some of the supporters of this Bill, I do not think that it fits in with the general sense of justice of this community. The penalty for doing a number of things under this Bill which are done every day in the most legitimate way, and for the good of the consumers of this country, is an absolute prohibition of the importation of these goods. And how are these anti-dumping clauses to be put into operation? Who is to decide when the prohibition of goods is to take place? Is this House to decide it? I suggest that the Bill entails an abrogation of our own powers which we should be loth to sanction until the Minister shows cause for so doing. Is Parliament to decide when an

article may be completely shut out of the Australian market, when goods may be refused to be imported, and when bargains may not be allowed to be secured by the Australian consumer? If so, is Parliament to decide these things in the open light of day, when the public can read our debates, and know the reasons which prompted our conclusions, or is the Minister to decide them? Is it wise to delegate to a single man the determination of questions of such far-reaching importance? Hundreds of thousands of pounds per annum may be concerned in any particular line of trade. To put the existence of trade of such value at the discretion of any one man is merely to offer an inducement for corruption. I do not for a moment suggest that the present Minister cannot be trusted in this regard. But I do say that to put discretionary powers of such an extraordinary nature absolutely at the command of any one man, whoever he may be, is only to offer an inducement for the most widespread corruption.

Sitting suspended from 6.30 to 7.30 p.m.

Mr. KELLY.—Before the dinner adjournment I was urging, as a reason why the Government should withdraw this measure from our consideration for the time being, with a view to its re-submission later on, the enormous discretionary powers which the Minister of Trade and Customs would enjoy if it were passed in anything like its present form.

Sir WILLIAM LYNE.—No, I would have no power at all.

Mr. KELLY.—Under the Bill the Minister alone would have the discretion as to starting proceedings against an importing firm. Furthermore, he alone would deal out penalties under a verdict which would be awarded by trade rivals of the importer.

Sir WILLIAM LYNE.—No.

Mr. KELLY.—Then how far am I wrong?

Sir WILLIAM LYNE.—I have said that on that particular point the Bill will be amended.

Mr. KELLY.—Here is a direction in which the Minister is prepared to amend the Bill. He is now willing to put a Judge in the place of the trade rivals.

Sir WILLIAM LYNE.—As I wanted to do at first.

Mr. KELLY.—Which the honorable gentleman wanted to do at first, but which for some too obvious reason, he was unable

to do. I would suggest to the Minister, now that he has seen the necessity for amending his Bill in a very vital direction, that this is an additional reason why he should take the whole measure into consideration. He has seen the faulty nature of the Bill in one important regard, and he should, therefore, look over the whole measure, and not merely one part of it. I think he told us that the Judge was to decide whether or not the competition was having the effect complained of, but will he tell us whether the Judge's powers are to be exactly similar to those of the Board, or whether he will have the additional power of saying what penalty he thinks will meet the case?

Sir WILLIAM LYNE.—The Judge will have the power if honorable members carry out what I want.

Mr. KELLY.—The Judge will decide what is to be done; in other words, he will decide, not only that unfair competition of the kind complained of has been in operation, but that certain regulations will suffice, or, if absolutely essential, the article shall cease to be imported?

Sir WILLIAM LYNE.—Yes.

Mr. KELLY.—If that is so, I think that a very important amendment in principle has been already accepted by the Minister.

Sir WILLIAM LYNE.—It is one to be proposed, it has not been accepted.

Mr. KELLY.—The principle has been accepted.

Sir WILLIAM LYNE.—It is going to be proposed.

Mr. KELLY.—The honorable gentleman has already accepted the principle.

Sir WILLIAM LYNE.—It is going to be proposed.

Mr. KELLY.—I will not quibble about words. It is going to be proposed on the suggestion of other members. I think it is a very important amendment on the principle of the Bill, and one which will effect a considerable safeguard. But still the Minister will have the sole power of initiating proceedings.

Sir WILLIAM LYNE.—No, the Comptroller-General.

Mr. KELLY.—Is he not virtually the Minister? He could not very well go against the views of the Minister.

Sir WILLIAM LYNE.—But the Minister could act upon the advice of the Comptroller-General.

Mr. KELLY.—Exactly; but the Minister can refuse to take the Comptroller-General's advice as to whether action should be taken or not. I do not think that he will deny that. Even that, I submit, is an enormous power to give, because under the Bill as it is drafted, any importing firm which is *ipso facto* an importing trust, has thrown upon it the onus of proving whether or not the competition will throw Australian workers out of employment. If the Judge takes the strict reading of the Act he will find that any competition from abroad must affect employment here, since all competition does. I take it that the importing firm is in this happy position, that if the Minister actually starts proceedings, as it will be in his sole discretion to do, the Judge will have no option but to decide that the importing firm is guilty of unfair competition within the meaning of the Act.

Sir WILLIAM LYNE.—Oh no; the Judge can say that it is not. He can give his decision just as he likes.

Mr. KELLY.—Oh, yes, but the Bill is so drafted that the defendant will have to prove that his competition with local industry is not affecting employment, or will not probably affect employment. In such a case it is obvious that the Judge will have only one course open to him. He must decide that the importer's competition is affecting local employment. If he is in any way a reasonable man he must see that it must affect employment. He has a direction in the Bill as to what he is to do. In such a case the importer's sole consideration must be inevitably to try to stop the proceedings from being started, and the sole person who will have the discretion as to starting proceedings will be the Minister of Trade and Customs. In such a case the victim, being in the toils, must do his level best to insure the goodwill of the Minister of the day.

Mr. SPEAKER.—I am afraid that the honorable member is again disregarding the amendment, which has to do with the report of the Tariff Commission on metals and machinery.

Mr. KELLY.—I am trying to show reasons why the Government should take the Bill again into complete consideration. The Tariff Commission's report on metals and machinery will probably be presented to us in about a fortnight. I believe that a fortnight's consideration in Cabinet would be sufficient to enable the Government to re-

draft the measure without retaining these objectionable provisions, and I am urging the Government to accept the amendment in order to give themselves that opportunity. The Minister will see that to put in such a position a merchant with money behind him would be to put a premium upon corruption, and, although we, in this House, believe that the Minister of the day would justify our confidence in him, still I think we must all recognise that it would not be wise to introduce in the Commonwealth a system which must eventually lead to a state of corruption such as would turn Tammany Hall green with envy. The discretionary powers of Lands Ministers in another State have led to very great abuses. We must not take into consideration the personal equation, the personal integrity of the Minister of the day in considering a measure of this kind. We must consider the eventual result of putting any such premium upon corruption as is here proposed to be done. Therefore I submit that the Government ought willingly to reconsider the whole measure, with a view to seeing if it could not be completely remodelled in this regard. I cannot see what evil there is in a country getting its goods as cheaply as possible. I think that in the case of articles of consumption a country, like an individual, should make the best bargain it can. But if the House is determined to prevent the evil of dumping, there are other measures which could be adopted, avoiding this enormous use of discretionary power on the part of the Minister. I hope that, after the Government have accepted the amendment, as I feel sure they will, they will introduce a Bill framed on the lines of the Canadian Anti-Dumping Act, which is very simple in its object. In Canada the House of Commons decides what is to be done in all cases of proved dumping, and the Minister, as servant of the House, carries out its orders. Section 19 of the Act reads as follows:—

Whenever it appears to the satisfaction of the Minister of Customs, or of any officer of Customs authorised to collect Customs dues, that the export price, or the actual selling price, to the importer in Canada, of any imported dutiable articles of a class or kind made or produced in Canada, is less than the fair market value thereof, as determined according to the basis of value for duty, provided in the Customs Act in respect of imported goods subject to an *ad valorem* duty, such articles shall, in addition to the duty otherwise established, be subject to a special duty of Customs equal to

the difference between such fair market value and such selling price.

Mr. SPEAKER.—I would remind the honorable member that the question before the Chair is that certain words be omitted from the motion with a view to insert in lieu thereof these words—

not further proceeded with until after the Tariff Commission has presented its report on metals and machinery.

The honorable member is now arguing, not that the consideration of the Bill be postponed for a time, in order that the Tariff Commission's report may be considered, but that the Bill should be withdrawn, and a new Bill containing certain amendments which he suggests substituted therefor. That is quite a different question from that suggested in the amendment, which I again ask him to discuss.

Mr. KELLY.—Perhaps, sir, I was infringing the Standing Orders; but my desire was to point out to the Government how much better a measure might result if this Bill were postponed and reconsidered. I have indicated my view in regard to the method which should be adopted, and suggested the great difficulty there will be in inserting the necessary amendments in the Bill in Committee. If I find that it cannot be surrounded with safeguards at that stage, I shall feel bound to record my vote against its third reading.

Mr. HENRY WILLIS (Robertson) [7.44].—During my remarks last evening, I had occasion to refer to the report of the Tariff Commission on metals and machinery, which was likely to be presented at an early date, and also to the injury which would be done to the manufacturing community by the introduction of this Bill. I find that to-day a deputation waited on the Minister and advised what I stated here last night. I was loath, however, to speak to the amendment of the honorable member for Dalley until I had read the report of the proceedings in connexion with the deputation, which was composed of employers, manufacturers, and traders.

Sir WILLIAM LYNE.—What! Traitors?

Mr. HENRY WILLIS.—That is what the deputation made out the position to be, namely, that under the Bill a trader is regarded as a traitor. Indeed, the deputation went so far as to say that at the Customs House traders are regarded as rogues and criminals. I am surprised to find a Minister so ready to turn the word "trader" into "traitor."

Sir WILLIAM LYNE.—I thought the honorable member used the word "traitor."

Mr. HENRY WILLIS.—I usually speak rather distinctly, and I am deliberate enough.

Sir WILLIAM LYNE.—And I am not deaf.

Mr. HENRY WILLIS.—So far from being deaf, the Minister is, I think, rather keen. But he had it on his mind that the deputation was composed of rogues, criminals, and traitors, because he was inclined to take them to task for the reason that they regard this measure as panic legislation. In fact, the Minister was irritated.

Sir WILLIAM LYNE.—I was not.

Mr. HENRY WILLIS.—It seems to me, from reading the newspaper report, that the Minister was irritated by the protestations of the men of business, who waited upon him as the friends of the policy which he advocates.

Sir WILLIAM LYNE.—That is a short report in the newspapers. The deputation was friendly all the time.

Mr. HENRY WILLIS.—It was, indeed; and it advised the Minister not to push on with this panic legislation, which would have the effect, as I pointed out in my speech last night, of injuring the manufacture of boots and shoes in our midst. In that speech I dealt at some length with this particular industry; and from the newspaper report I see that Mr. Harkness, a member of the deputation, pointed out that it is impossible for the manufacturer of boots and shoes to continue in the trade unless he deals with the trust in America, which is able to supply more advantageously than can any other firm the wares that he requires.

Sir WILLIAM LYNE.—The honorable member will not talk like that when I read a part of the agreement.

Mr. HENRY WILLIS.—The Minister knows that that was a statement made by a member of the deputation.

Sir WILLIAM LYNE.—Yes; but when I read a part of the agreement, which I intend to do, the honorable member will not talk in that way.

Mr. HENRY WILLIS.—All I am concerned with is the statement made by a competent authority, one of the prominent men representative of the trade of Melbourne and suburbs. Indeed, I think the deputation went so far as to declare that they represented every part of the Commonwealth. They told the Minister that

this is panic legislation, and asked him to have it investigated by a Select Committee. They stated, too, that they would be prepared to satisfy such a Committee that their industries would be ruined under the provisions of the Bill the Minister is endeavouring to force on Parliament. There has not been one request for this measure at this particular moment; and all that is asked now is that it shall be held in abeyance until the Tariff Commission has furnished a report which it is believed will substantiate all that was said by the deputation who met the Minister in friendly interview to-day. This representative deputation contended that to call this an Anti-Trust Bill is to present a bitter pill with a sugar coating—that it is nothing of the kind. In their opinion it will reduce the honest trader to ruin, and cause him to be regarded at the Customs House as a rogue and vagabond, or, as the Minister says, a “traitor.” Another member of the deputation, Mr. Knowles, who is a softgoods merchant dealing in imported goods, declared that he is afraid to go abroad to purchase at a low rate, because if he returns and sells goods at a figure below that at which they are ordinarily sold, he will be liable to imprisonment under the Bill.

Mr. PAGE.—The honorable member for Melbourne Ports says that the honorable member is talking “tommy-rot.”

Mr. HENRY WILLIS.—The honorable member for Melbourne Ports would not dare tell the gentlemen who met the Minister to-day that they talked “tommy-rot.”

Mr. MAUGER.—Yes, I would.

Mr. HENRY WILLIS.—The honorable member for Melbourne Ports, who is a member of the Protectionist Association, would not dare to use such an expression in the face of that deputation, which was composed of men of substance, who have their all embarked in industrial manufactures, and who, in the aggregate, have tens of thousands of employes.

Mr. WILKS.—And they are the men who keep the Protectionists' Association going.

Mr. HENRY WILLIS.—They are, I believe, members of the Protectionist Association. These men say that this panic legislation will have the effect of injuring their business, crippling commerce, and throwing men out of employment. In all probability many of them

have already made similar statements to the Tariff Commission, which has been sitting so long and taking evidence in all quarters. The deputation merely asked the Minister to do what we, as members of Parliament, now request, namely, to withhold the passing of the measure until we have considered the evidence taken by the Tariff Commission. That Commission consists of reputable gentlemen representing each party in the House, who have devoted their time for over a year to taking evidence from one end of Australia to the other. The Commission has not hesitated to interview anybody who could furnish valuable information, and the honorable member for Bendigo, who is Chairman of the Commission, stated this afternoon that several of the reports on metals and machinery are ready for presentation—that one or two others are in the hands of the typewriters, and that in the course of a few days, the evidence will be placed before Parliament. The deputation said to the Minister, “Take our suggestion as one coming from friends; we are manufacturers' representative of the whole Commonwealth, and we say that this is panic legislation which will injure industries, jeopardize every honest trader, and throw men out of employment.” Mr. Haigh, another member of the deputation, said that traders are afraid to go to the Customs House, because they are looked upon suspiciously—that every act of an honest merchant to-day is regarded as the act of an undesirable citizen, who is seeking to rob his neighbours and the Customs, and who has no interest in the welfare of his country—who is a traitor to his country, as the Minister himself stated, when I used the word “trader.”

Sir WILLIAM LYNE.—The honorable member knows I never did anything of the kind; I merely asked the honorable member if he used the word “traitor.”

Mr. HENRY WILLIS.—Of course, if the Minister says that he withdrew the remark—

Sir WILLIAM LYNE.—I did not make any remark.

Mr. HENRY WILLIS.—I will not take second place to any man in the House. If I use the word “trader,” I mean “trader,” and not “traitor.” The latter word was in the mind of the Minister, and men who have put their money into Australian industries are treated as traitors. These are men who employ tens of thou-

sands in every department of manufacture, and who are prepared to compete with all parts of the world; and they asked the Minister not to proceed with this panic legislation, which causes them to be treated as rogues and vagabonds at the Customs House. The representations of the deputation were not without their effect on the Minister, because, in his parting salute, he said he would call for a report as to whether industries are being injured — a report as to whether—

Sir WILLIAM LYNE. — Is the honorable member sure?

Mr. HENRY WILLIS. — I made a note from the press report. The Minister said that he would have further information brought before him. Was the Minister humbugging the deputation? Is the Minister going to rush forward at railway speed and have a report when the Bill has been passed into law?

Sir WILLIAM LYNE. — The honorable member is humbugging his constituents.

Mr. HENRY WILLIS. — I protest against this class of legislation. I do not know that I should have been on my feet now had I not found that the gentlemen who composed this deputation confirm every statement I made as to the likely ruin to industries under the provisions of this Bill. I treated in detail the question of the raw material required in the manufacture of boots and shoes, and of leather itself, in our midst; one industry depends on another. The Minister is laughing up his sleeve, simply because he thinks he may "gull" a few people in his electorate by being able to state that he has passed legislation which bears the name of "anti-trust."

Mr. SPEAKER. — The attitude of the Minister of Trade and Customs is not the question under discussion at the present time.

Mr. HENRY WILLIS. — With all deference to you, sir, I am now dealing with the amendment, which declares that the Bill should be withdrawn until we have the report of the Tariff Commission on metals and machinery, and I am showing that, at an outside deputation, evidence was brought forward that, according to the press report, convinced the Minister that it was necessary he should have that information.

Mr. SPEAKER. — If the honorable member discusses that phase of the question he will be in order.

Mr. HENRY WILLIS. — The Minister of Trade and Customs took the deputation into his confidence, and said that it was his intention to amend the Bill so as to have a jury of several citizens to sit with the Judge.

Mr. SPEAKER. — The honorable member will see that the question of whether there shall be a Judge or Judge and jury, has no relation whatever to the question of postponing the Bill until the presentation of the report of the Tariff Commission on metals and machinery. It is not expected that the Tariff Commission will deal with that phase of the question. The honorable member will please confine himself to the amendment.

Mr. HENRY WILLIS. — I have to thank you, Mr. Speaker. I am glad to be called to order, because it is in that way I have been made an authority on the Standing Orders. I do not wish to labour that part of the Minister's reply, but I must say that the honorable gentleman is trifling with this Parliament. He has admitted that there is necessity, because of the grave representations made to him by the deputation, for calling on his officers for a report.

Sir WILLIAM LYNE. — I never said anything of the kind.

Mr. HENRY WILLIS. — The Minister is reported in the press to have done so.

Sir WILLIAM LYNE. — I do not think so.

Mr. HENRY WILLIS. — What is more, the Minister denies having lectured those gentlemen because they represented that the Bill would do injury to their industries. However, we have the evidence of the press report as to what the Minister did say. Whether that report be correct or not, the Minister is trifling with this Parliament and the country in forcing on the Bill at a time when the Chairman of the Tariff Commission has in view the completion of reports which will enable Parliament to discuss the Bill on its merits. If it be shown by the reports of the Tariff Commission that drastic legislation such as this is necessary in the interests of manufacturer, producer, and consumer, then Parliament will deal with the measure in that light. But the Minister takes to himself some credit for having brought forward a Bill more drastic than any similar legislation in the world — a Bill which goes to the length of prohibiting the importation from abroad of

goods coming into competition with local manufactures. The Minister's duty to the country is to withdraw the measure, in order to give the representatives of the people an opportunity to prime themselves with the information which will be supplied by the Tariff Commission's reports, so that we may legislate in the interests of all concerned, and the Commonwealth may progress under wise and good laws. I hope that the honorable gentleman will carry out the promise which he made to the deputation which waited upon him to-day. I gather from the answer which he gave to that deputation that it is his intention to move amendments on the lines suggested by me last night, whereby certain trusts will come under the operation of Part II. of the Bill, and other trusts under the operation of Part III., the dumping clauses being entirely abandoned.

Mr. ROBINSON (Wannon) [8.2].—I regard the amendment as strictly relevant, and one which those who desire information on the whole subject dealt with by the Bill should support. The Royal Commission on the Tariff has been sitting for eighteen months. I do not grudge the expenditure of the large sum of money which this inquiry has entailed, but I think that we should not legislate on this matter until we have at our disposal the information which has been gathered for us. The Minister, in his second-reading speech, dealt with some of the matters coming before the Tariff Commission, and quoted the evidence of those interested in one side of the case. He made no attempt to give the evidence of those on the other side. Although evidence, both pro and con., has been taken by the Commission, we are asked to legislate entirely upon the evidence of one set of witnesses.

Mr. WILKS.—The course which the Government are taking is a slap in the face to the Tariff Commission.

Mr. ROBINSON.—The members of that Commission, having devoted time and trouble to its inquiries, and, no doubt, having been put to considerable loss and inconvenience in attending its sittings, it seems extraordinary that we should be asked to consider this Bill before we are in possession of the valuable evidence which its reports will shortly give to us. The honorable and learned member for Bendigo informed the House this afternoon that the

Commission's reports on the effect of the Tariff on the industry which has clamoured most for legislation such as has been introduced, will be laid before Parliament within a very short space of time. Why, then, should not the further consideration of the Bill be postponed until we have those reports in our possession, and know what evidence has been given on both sides of the question. As I have pointed out, the Minister asked us to act on evidence coming wholly from one side, and dealing with one industry only. Although he interjected a few nights ago that he has other evidence to show that Part III. of the Bill is necessary, that evidence has not been placed before us. Therefore, it is highly desirable that we should postpone the consideration of the measure until we get it. The least we can do, in decency, is to pay some attention to the work of the members of the Tariff Commission. By negating the amendment, we shall be branding the Commission as inefficient, and its work as useless. Although I do not promise to vote for every recommendation that the Commission may make, its conclusions, and the evidence which it has taken, will be worthy of the most serious consideration, and will be much more informing than the *ex parte* statements of the Minister. I hope that the amendment will be carried.

Question—That the words proposed to be left out stand part of the question—put.
The House divided.

Aves	...	...	...	39
Noes	...	...	...	20
Majority	...	...	...	19

AVES.

Bamford, F. W.	O'Malley, K.
Bonython, Sir J. L.	Page, J.
Carpenter, W. H.	Phillips, P.
Chanter, J. M.	Poynton, A.
Crouch, R. A.	Quick, Sir J.
Culpin, M.	Ronald, J. B.
Deakin, A.	Salmon, C. C.
Ewing, T. T.	Spence, W. G.
Fisher, A.	Storror, D.
Forrest, Sir J.	Thomas, J.
Frazer, C. E.	Tudor, F. G.
Groom, L. E.	Turner, Sir G.
Hughes, W. M.	Watkins, D.
Hutchison, J.	Watson, J. C.
Isaacs, I. A.	Webster, W.
Kennedy, T.	Wilkinson, J.
Lyne, Sir W. J.	
Mahon, H.	
Maloney, W. R. N.	
McColl, J. H.	
McDonald, C.	

Tellers:

Cook, Hume
Mauger, S.

NOES.

Cameron, D. N.
Conroy, A. H. B.
Cook, J.
Edwards, R.
Fowler, J. M.
Fuller, G. W.
Fysh, Sir P. O.
Johnson, W. E.
Kelly, W. H.
Knox, W.
Lee, H. W.

Liddell, F.
Lonsdale, E.
Skene, T.
Smith, B.
Thomson, D.
Willis, H.
Wilson, J. G.

Tellers:

Robinson, A.
Wilks, W. H.

PAIRS.

Batchelor, E. L.
Brown, T.
Chapman, A.
Kingston, C. C.
McCay, J. W.
Thomson, D. A.

Glynn, P. McM.
Smith, S.
Edwards, G. B.
Gibb, J.
McWilliams, W. J.
Reid, G. H.

Question so resolved in the affirmative.
Amendment negatived.

Mr. HUTCHISON (Hindmarsh) [8.14].—With the accuracy for which the members of the Opposition are notorious when referring to the Labour Party, we have been twitted with being gagged in regard to this measure; but I, for one, intend to say something about its provisions, and, in doing so, I shall be only following my leader and other members of the party who have already spoken on the second reading.

Mr. JOSEPH COOK.—To which leader does the honorable member refer?

Mr. HUTCHISON.—I have only one leader in this House—the leader of the Labour Party. If a justification were required for the introduction of this measure, it has been furnished by some of the members of the Opposition. The deputy leader of the Opposition, and a number of his followers, have said that they are prepared to vote for the second reading. If the Bill were a bad one, it would be their duty to oppose it at every stage. Further evidence as to the need for the Bill was furnished by the speech of the honorable member for Mernda. That speech was a remarkable one, and set up a standard of commercial morality which, I think, would not receive the support of the House. The honorable member, speaking of monopolies, said that, if an individual, engaged in business in a small way, made a profit of 6 per cent., and a large corporation, by adopting different methods, was able to make a profit twelve times as large—that is, a profit of 72 per cent.—the public would not necessarily be robbed thereby.

Mr. JOSEPH COOK.—He said that such a concern might be supplying the commu-

nity with cheaper goods than the concern which was making the smaller profit.

Mr. HUTCHISON.—Exactly, notwithstanding that the larger concern was making twelve times the amount of profit that was being derived by the smaller one. All I have to say is that, if the honorable member set up business in South Australia as a money-lender, and charged such an enormous rate of interest, he would be taken before the Court and a large amount of the extortionate charge would be remitted. I am glad to say that in South Australia an Act of that character is in force.

Mr. JOSEPH COOK. — The honorable member is misrepresenting the honorable member for Mernda.

Mr. HUTCHISON.—I am taking the position precisely as he put it, only that the honorable member for Mernda—as has been interjected by the deputy leader of the Opposition—told us that the larger concern might be giving the public as cheap an article, if not cheaper, than the concern which was making the smaller profit. If that were so, it would show that the smaller man was incompetent to carry on his business, or that his machinery was out of date. But in any case a profit of twelve times 6 per cent. would be an extortionate one.

Mr. DUGALD THOMSON.—The honorable member for Mernda said it might happen that a firm would make that amount of profit, but he did not say that he approved of it.

Mr. HUTCHISON.—He did not denounce the making of such a profit, and if he did not approve of it, it would have been just as well if he had not mentioned it. The honorable and learned member for Northern Melbourne has said that this is not a Bill which will prevent the establishment of monopolies. If it is not, it is, as I interjected, “sham legislation.”

Mr. LIDDELL.—Does the honorable member think that the Bill will ever be operative?

Mr. HUTCHISON. — I will come to that point presently. I think that there is some warrant for the statement of the honorable and learned member for Northern Melbourne, because the Attorney-General interjected that an offender must “wilfully” act to the detriment of the public.

Mr. CONROY.—Must “wilfully” contract.

Mr. HUTCHISON.—No. The Attorney-General interjected that it must be

proved that an offender has "wilfully" acted to the detriment of the public before he is liable to any penalty. The honorable and learned member for Northern Melbourne, in reply, stated that he did not think it would be necessary to prove that an offender had "wilfully" acted to the detriment of the public to enable him to be brought under the provisions of this Bill.

Mr. HIGGINS.—I said that, under the measure as it is at present drawn, one need not prove that an offender intended to damage the public.

Mr. HUTCHISON. — The honorable and learned member is reported to have said that, as the Bill stands, there is no necessity to prove wilful intention.

Mr. HIGGINS.—That is correct.

Mr. HUTCHISON.—That view seems to me to be entirely at variance with the statement of the Attorney-General.

Mr. HIGGINS.—But the Attorney-General assured me that if there were the least doubt about the matter he would make it perfectly clear.

Mr. HUTCHISON. — If there is any doubt about it, I hope that honorable members will assist me to eliminate the word "wilfully." Nearly all our industrial legislation contains the word "wilfully," just as in the provisions of the Constitution relating to the Murray waters the word "reasonable" is employed, and just as in the Employers' Liability Act we find the phrase "serious and wilful neglect." All these phrases mean endless litigation. Within fourteen years after the Employers' Liability Act of 1881 was passed there were no less than 1,762 actions tried in Scotland alone, in which £363,000 was claimed, but only £17,500 was awarded. That seems an extraordinary amount of litigation for a very small result. I believe that the same sort of thing will occur under this Bill if we retain the word "wilfully" and such words as "with the design of injuring an Australian industry." If honorable members will look at clause 11 they will see it provides that—

Any person who is injured in his person or property by any other person, by reason of any act or thing done by that other person in contravention of this part of this Act, may, in any competent Court, exercising Federal jurisdiction, sue for and recover treble damages for the injury.

That provision seems to me to offer a special inducement to manufacturers and other business people who feel that they have

been injured in their industry to go to law, in the hope that they may recover treble damages. If the figures that I have quoted can be regarded as any indication of what lawsuits will cost, the less litigation that our manufacturers indulge in the better it will be for their pockets. In the cases I have mentioned both the employers and the unfortunate employes were losers.

Mr. HIGGINS.—The honorable member would not put a man in gaol for making an agreement which he thought would injure nobody?

Mr. HUTCHISON.—I will deal with that point presently. It has been said that the Labour Party should oppose this Bill, because they favour the nationalization of monopolies.

Mr. WILKS.—They say that this Bill will be ineffective.

Mr. HUTCHISON.—The deputy leader of the Opposition said that he could not understand why the Labour Party supported the measure, seeing that its members favored the nationalization of monopolies. But the honorable member knows perfectly well that, at the present moment, there is no power under our Constitution to nationalize monopolies.

Mr. WILKS.—Why do not the members of the Labour Party tell the public that when they are advocating nationalization? Not a single member of that party has told the public that.

Mr. HUTCHISON.—It has been made perfectly clear to the people that we intend to seek that power.

Mr. JOSEPH COOK.—Our complaint is that the Government are helping the Labour Party to make out a case for nationalization.

Mr. HUTCHISON.—I do not think so. I believe that the Government are satisfied that the Bill will accomplish more than I think it will. Under the circumstances, I am prepared to give it a trial.

Mr. JOSEPH COOK.—My remark was a general one. I was referring to the Commissions which the Government have appointed from time to time to inquire into the feasibility of nationalization.

Mr. HUTCHISON.—Let us suppose that we had the power under the Constitution to nationalize any monopoly. Because we have not the numbers is surely no reason why we should not seek to regulate monopolies until we secure the numbers.

Mr. JOSEPH COOK. — If we regulate a trust and restore normal competition, we shall make that trust stronger, and not weaker.

Mr. HUTCHISON.—The stronger we make a trust the sooner it will be nationalized. That is the view of myself and my colleagues. Some honorable members declare that they desire to amend the Bill in Committee, but we know perfectly well that members of the Opposition will, if possible, amend it in the direction of destroying it.

Mr. WILKS.—Does the honorable member think that he will recognise it when it emerges from Committee.

Mr. HUTCHISON.—Not if the honorable member has his way. I do not think that the Bill will achieve its purpose for several reasons. We have only to look at the working of the Sherman Act in America, where it has been in operation for sixteen years, to realize that.

Mr. JOSEPH COOK.—Where are the members of the party to which the honorable member belongs?

Mr. HUTCHISON.—The party are quite satisfied, I suppose, that I am voicing their views. Although the Sherman Act has been in existence for sixteen years, there are more monopolies in America to-day than there were when it became law. As has been pointed out by the Minister, and by the Attorney-General, the measure before the House does not go as far as does the Sherman Act. That Act itself was found to be so weak in operation that it had to be followed by the Wilson Act.

Mr. JOSEPH COOK.—In some respects the Minister says that this Bill goes further than does the Sherman Act.

Mr. HUTCHISON.—In some respects it does. The Sherman Act does not deal with some of the matters which are dealt with in the measure under consideration. As the Sherman Act was ineffective, it was in 1904 followed by the Wilson Act, which is certainly a much more drastic measure in some respects. It provides that—

Every combination, conspiracy, trust, agreement, or contract is hereby declared to be contrary to public policy, illegal, and void, when the same is made by or between two or more persons or corporations . . . in restraint of lawful trade.

Then it is different from the Bill before us in that it not only imposes a monetary penalty upon an offender not exceeding \$5,000, but it provides that the offender

shall be imprisoned. The honorable and learned member for Northern Melbourne wished to know whether I was in favour of imprisoning offenders under this Bill. Most decidedly I am, for the reason that we imprison a man who breaks the law upon a small scale. Why should we differentiate between one law-breaker and another, especially as the Bill provides that an offender must wilfully break the law? Surely we should not extend consideration to a wilful law-breaker. Only the other day I heard the late lamented Mr. Seddon say that there was only one cure for these offenders, and that was gaol. There is only one cure for them. What is the use of fining a corporation \$5,000 or \$15,000 if it is making a profit of \$1,000,000 a year? It could well afford to pay treble, or even ten times the amount of the fine. But if we put the individuals concerned in the dock—

Mr. DUGALD THOMSON.—Under the Wilson Act the honorable member would be in the dock himself.

Mr. HUTCHISON. — Upon what ground?

Mr. DUGALD THOMSON.—For increasing the market price of imported articles.

Mr. HUTCHISON.—I do not see that the Bill will do that. The Ministry claim that it will prevent the dumping of undervalued goods, and in that way alone it may increase prices. That, however, will be a benefit to the community. I would point out to the honorable member for North Sydney that if he were engaged in an industry in which goods were being dumped, and if, as a result, he was thrown out of employment, he would not consider that a benefit had been conferred upon him even if he could purchase those goods at half their former price, because he would not have the money to buy them. I think it is only fair that offenders under this Bill should be placed in the dock. It has been asserted by certain honorable members that some trusts are beneficent. They have twitted the Minister with being unable to show that there are any injurious trusts in Australia at the present time. Before I conclude my remarks, I think I shall be able to mention one, at any rate, and I may refer to two or three. The honorable member for North Sydney, amongst others, stated that the operations of certain trusts were beneficent, but he took very good care not to bring any such combinations under the notice of the House.

The Bill deals only with corporations or individuals that are doing injury to the community.

Mr. WILKS.—The word “destructive” is used to show that.

Mr. HUTCHISON.—That is so, and if the operations of a trust are beneficent it will not be affected by this measure. I am afraid, however, that we have to take some of these beneficent trusts on trust. I wish to say that experience in every part of the world has shown that, whilst the operations of a combination may appear to be beneficent, as soon as it has grown into a monopoly the consumer is fleeced. We have had scores of instances in support of this statement quoted during this debate. We have had a fair discussion upon the measure, and it is right that a Bill of such far-reaching effect should be properly discussed, and that when it gets into Committee we should do all that we can to make it not only a just, but a workable, measure. I say now that I do not think it is a workable measure as it stands. It has been said that under this Bill very large powers are intrusted to the Minister, and powers which might be abused. I do not think there is much danger on that score. I have always voted against giving the Minister administering an Act more power than can possibly be helped, because I believe that we should embody everything we can in a measure when we are passing it. But I remind honorable members that the Minister of Trade and Customs is not being given in this Bill any greater powers than have already been given him under the Customs Act.

Mr. KELLY.—He is being given greater powers than are given to the Minister under the Canadian Act.

Mr. HUTCHISON.—This Bill gives him no greater powers than he is given under the Customs Act.

Mr. BRUCE SMITH.—The Minister says that it does. The honorable gentleman is not sure of his powers under the Customs Act, and he wishes to make sure of his position under this Bill.

Mr. HUTCHISON.—I think the honorable and learned member for Parkes will admit that the power of the Minister under the Customs Act is not limited.

Mr. BRUCE SMITH.—I am taking the Minister's own admission.

Mr. HUTCHISON.—The Minister, like myself, is a layman, and on such a point I prefer to take the opinion of those versed

in the law. I have heard the statement made over and over again that full power is given to the Minister under the Customs Act to prohibit the importation of any goods he pleases.

Mr. KELLY.—Does the honorable member think that the Minister of Trade and Customs understands the Act which he is called upon to administer?

Mr. HUTCHISON.—Undoubtedly, the honorable gentleman understands it, and so well that I say there is very little danger in giving him the powers proposed under this Bill. If there were any danger that the powers given to the Minister under this Bill would be abused, I am satisfied that the powers with which he is intrusted under the Customs Act would have been abused before now, especially in view of the low Tariff we have, and the injury which I hold it has worked to many of our industries. Unfortunately, my experience, like that of other honorable members, has been not that the administration has been too strong, but, unfortunately, that, as a rule, it has been too weak. The Minister intrusted with the administration of an Act is very careful not to exceed his powers, because he knows that he can be brought to book by Parliament, and may have to make way for some one else. The honorable member for Grampians said that he thought a handful of people should not require such a drastic measure as this. I entirely agree with the honorable member, but the fact remains that such drastic measures are necessary, and as they have become necessary we should pass them. They are necessary from the very fact that we are but a handful of people. It will be admitted that the resources of Australia are unbounded, and in a country of illimitable resources we should be able to find employment for a mere handful of people. Unfortunately, at the present time we are not able to do so. In almost every department of industry we have unemployed. We have skilled mechanics going about idle, not by the score, but by the hundred.

Mr. WILKS.—Has the honorable member seen that his friend the *Age* says that times are booming?

Mr. HUTCHISON.—I quite indorse what the *Age* said, and that but still further proves the necessity for this measure. If when times are booming thousands are looking for employment, and cannot find it, it is our duty to do what we can to preserve

our industries, in order to provide work for our people. It has been said that no proof has been given of the existence of a monopoly in Australia, but the shipping combine has been repeatedly referred to. I have had no proof brought before me that the shipping combine is not looked upon by every section of the community, not only as a monopoly, but as a monopoly of a very injurious character.

Mr. DUGALD THOMSON.—It is supported by the seamen.

Mr. HUTCHISON.—It does not matter whether it is supported by the seamen or not. Unfortunately, in many cases, as we have seen in connexion with the tobacco industry, the men employed in an industry are afraid to express their views, because, if they did, they would render themselves liable to dismissal, and might also find difficulty in getting another situation.

Mr. DUGALD THOMSON.—The seamen's organization supports the shipping combine.

Mr. HUTCHISON.—That may be so, but it is not proof that the shipping combine is not a monopoly. The seamen may honestly think that it is not a monopoly, but we have a better opportunity of studying these questions, and are likely to know more about the matter than is the ordinary seaman, who has about the hardest life of any workman I know. It is also asserted by some honorable members that the tobacco industry is not a monopoly. It is not in the exact sense of the word, but we have had a Royal Commission appointed to inquire into this industry. Its members are more thoroughly acquainted with the whole of the ramifications of the industry than we can claim to be, and yet the majority of the members of that Commission came to the conclusion that the tobacco industry in Australia is a monopoly.

Mr. KELLY.—They say it is a partial, but not a complete, monopoly.

Mr. HUTCHISON.—They say it is a monopoly, and that it ought to be nationalized.

Mr. ROBINSON.—They said that before they had inquired.

Mr. HUTCHISON. — Then their inquiry only confirmed them in their belief that what they first asserted was correct. Does the honorable and learned member for Wannon mean to suggest that the members of the Tobacco Monopoly Commission were prejudiced in any way?

Mr. ROBINSON.—I say that the evidence they obtained does not bear out their report.

Mr. HUTCHISON. — The honorable member for Wentworth has supplied me with a copy of their report, in which I find that they say—

We find that the combine is a partial, but not a complete, monopoly.

Exactly; and this Bill is designed to deal with partial monopolies, and prevent them from becoming complete. The honorable member for Wentworth has only furnished me with additional evidence of the necessity for placing this Bill upon the statute-book.

Mr. KELLY.—The Commission say that it is not a complete monopoly.

Mr. HUTCHISON. — Unfortunately, this partial monopoly has obtained such an extraordinary hold of the industry that it is most unfortunate that the measure now proposed was not placed on the statute-book many years ago. I shall quote what an eminent American writer has to say about the International Harvester Trust, which, no doubt, some honorable members will also say is not a monopoly. I shall show honorable members on the Opposition side of the House the kind of combines they are supporting and doing all in their power to give free play to in Australia.

Mr. KELLY.—No, fair play.

Mr. HUTCHISON.—The honorable member may call it any kind of play he has a mind to, but, judging by the opinions to which he has given expression on many other questions, I doubt whether he is a good judge of fair play. Honorable members probably will know something of the history of the International Harvester Company, and I shall, therefore, quote only a portion of an article by Mr. Alfred Henry Lewis in the *Cosmopolitan* for April, 1905. Mr. Lewis's article is headed: "A Trust in Agricultural Implements—The Opportunity of the Newly-formed Trust and its Far-reaching Influences," and, amongst other things, he says—

There were, perhaps, ten American concerns engaged in the manufacture and sale of farm tools and machinery when the Harvester Trust was formed, and of these the Deering, the McCormick, the Millwaukee, the Plano, and the Champion companies were included therein. The list carried the largest plants in the country. There have been added to it since the "Minnie," the Aultman and Miller, and the D. M. Osborne companies.

I may say that the Osborne Company was forced into the combine.

As now framed the Harvester Trust controls over nine-tenths of the farm implement trade, and by methods of extortion, constriction, and law breaking, so dominates the market situation as to compel what opposition is struggling against it to do business at a loss.

This is the company which is doing so much to destroy an important industry in Australia, and which will do a great deal more if its operations are not checked. To confirm what is stated here by Mr. Lewis in regard to the control by this trust of nine-tenths of the world's trade in agricultural implements, I may say that the International Harvester Company issued a circular, which I am sorry I have not with me at the present moment, in which they claim to have 90 per cent. of the world's trade, and there can be no doubt that they will not be satisfied until they get a good deal more.

Mr. KELLY.—Is the honorable member not aware that the bulk of the harvesters imported into Australia are those of the Massey-Harris Company?

Mr. HUTCHISON.—If that be so we must deal with the Massey-Harris Company in precisely the same way as with the International Harvester Company. I have nothing specially against the Massey-Harris Company or International Harvester Company, as compared with other companies, but I hold that any corporation or trust whose operations afflict our industries should be dealt with. Mr. Lewis, in his article, made reference to the profits that have been made by this extraordinary combination, which has a good many of the American banks and unlimited capital at its back. He says—

If is not too much to say that now in the third year of its existence the Harvester Trust from those \$100,000,000 pockets a yearly profit of over \$40,000,000, eighty per cent. of which may be counted as merest rapine.

That is the opinion of Mr. Lewis. We all know how the trust bought up the railways. A great deal was made during this debate of the fact that the railways of Australia, being owned by the States, could not be used for the purpose for which railways have been used in America, where they are privately owned, of securing rebates to private companies. That is quite true, but the shipping combine could assist these trusts to a great extent if they pleased, and does so at present. Dealing with the Bill, and in connexion

with the question of litigation, I should like to point out that powerful combinations like these can employ the very best lawyers, and it is a very poor lawyer that cannot see his way through an Act of Parliament.

Mr. WILKS.—The honorable member is working for the lawyers in supporting this Bill.

Mr. HUTCHISON.—I am quite aware that this measure will be beneficial to the lawyers. If I were a lawyer it would make my eyes glisten to see a Bill like this. The small man is always handicapped in going to law. I speak from personal experience. Justice can only be obtained if it is bought. Mr. Lewis goes on to say—

Mr. WILKS.—Who is this Lewis?

Mr. HUTCHISON.—He is a gentleman who could give the honorable member for Dalley a few points on a matter with which he is thoroughly familiar. He goes on to say—

If such as the harvester trust were limited to lawful methods, and confined in their dollar hunting to what honest rules of the chase are set forth in the public statutes, not a bit of harm would come from them. It is only when they become criminals, defy justice, stifle competition by villain means, and enslave a market in the teeth of law, that prices go up, quality and quantity go down, and the consumer public is plundered in two ways at once.

That is how this eminent writer describes the operations of this trust. If he wrote that which was not true, of course, the International Harvester Company has its remedy against him, and could have taken him before the Courts of the United States. Honorable members who are opposing this Bill are supporting those gentlemen who have been plundering the farming community. There is no doubt about that. In fact, things became so bad in America under this company that President Roosevelt made war upon it, and so soon as he decided to make war upon it the Inter-State Commission took its cue from the President, as it usually does. And what was the result? The Inter-State Commission stated that—

The International Harvester Company owns the Illinois Northern Railway. Whatever accrues to that company inures to the benefit of the Harvester Company, its owner, alone. When any of the railway lines leading from Chicago pays to the Illinois Northern Railway Company \$12 for the performance of a switching service which is worth but \$3 it gives to the International Harvester Company, the shipper of that cartload of merchandise, \$9. When the Santa Fé railroad pays to the Illinois Northern \$12 for

moving a car loaded with the traffic of the Harvester Company from the McCormick yards to its Corinth yard, a service which it might exact under its contract with the Illinois Northern for \$1, and when it does this to obtain the traffic of the Harvester Company, it thereby grants that latter company in effect a rebate. It is guilty of an act by which an advantage is given, and a discrimination is produced in favour of the Harvester Company. It is urged that all this is simply an arrangement between railroads, that there is no negotiation with the shipper, and no payment to the shipper. This is a mere play upon words. The Illinois Northern railroad and the Harvester Company are one and the same thing.

That is the kind of company that is operating in Australia to-day. It is a company with whose methods I am not in sympathy. The same writer goes on, further, to say that—

The trust, with no one to molest it, or make it afraid, will be able to give less in quality, less in quantity—after the frugal manner of the tobacco trust and others of the vulture brood.

I think that is sufficient to show that we have to contend with a very dangerous trust, which has 90 per cent. of the world's trade, and has secured nearly a complete monopoly in the goods in which it deals. It is high time that we did something with it. The honorable member for Parramatta has said that this Bill means prohibitive protection. Well, I am not a prohibitionist. I believe in a scientific Tariff. But after the experience we have had of the working of the present Tariff, I say that if anything can be done to preserve our iron and other industries I shall be delighted, and shall give such a measure my support. It will be some time before we shall be able to deal fully with the Tariff. Honorable members do not seem to be very much in earnest about that question. The Ministry are not so much in earnest about it as are the members of the Labour Party. I am quite willing that we shall deal with the Tariff question this session as far as we possibly can. With me it is not a matter for a general election. I have been a consistent protectionist always, and whenever I can do what I think to be right the time is always ripe. I do not think it necessary, Mr. Speaker, to delay the House any further, as no doubt there will be a very long discussion upon this Bill in Committee; but I thought it my duty to give expression to the views which I entertain. Though I am supporting the Bill, I am certainly far from satisfied that it will be effective. But so soon as we have such a measure placed upon the statute-book

we can find out its defects from its administration, and if we discover that, so far as it operates, it is doing good, but that the Minister wants fuller powers, I shall be quite prepared to give them to him; whereas, if it is working harm, I am quite sure that the whole House will be willing to aid me in striking out those defects which are complained of. I therefore support the motion for the second reading.

Mr. BRUCE SMITH (Parkes) [8.50].—In beginning the few remarks which I wish to make in regard to this Bill, I am bound to repeat an observation which I have uttered on other occasions when opposing measures which I felt certain would pass, notwithstanding any opposition. That impression, Mr. Speaker, is founded upon the conviction that this is not in fact a deliberative assembly. I know that it is popularly supposed outside Parliament that all who enter it come here to meet a number of other members whose minds are open to conviction, and whose one anxiety is to do that which is best calculated to contribute to the welfare of the community.

Mr. CARPENTER.—There are few honorable members whose minds are perfectly open.

Mr. BRUCE SMITH.—There are few in this House; I consider that I am amongst them myself. I feel that, whatever arguments were brought to bear upon this subject, on this occasion, and in this House, even if they were the arguments of an archangel, would have very little effect in turning the House, as a corporate body, from the determination upon which it is set. The great bulk of the members of this House are influenced by pledges and parties, the principles of which, no doubt, they think beneficial to a body of this kind. But to any one who reflects from time to time upon the usefulness of this Parliament, it must come as a rather sad conviction that it is not a deliberative body. Few Parliaments are where party feeling runs high, and parties are bound by pledges which commit them to take any certain course. Now, I am not given to the use of superlatives, because I think that they are so much abused that they lose their effect; but I have no hesitation in saying that this is not only the most far-reaching Bill that has ever been brought before the House in its five years' existence, but the most

far-reaching that it is possible for any Government to bring before it. It is a measure which, in my opinion, notwithstanding the very light and airy way in which some honorable members have dealt with it, goes to the very root of our civilized life. I think we are apt to forget how much we owe to competition as an element in civilization. We forget that the working classes are to-day living under conditions which were not within the reach of Queen Elizabeth; that those conditions are the result of keen competition in every branch of commerce and industry, and that it is only by the encouragement of that competition in all parts of the world that we are to-day able to command advantages and luxuries now become necessities of our daily life, such as were never dreamt of three or four hundred years ago, when legislation of this kind was rife, and when invention and inventive genius had not had that free play with competition such as is enjoyed under the conditions in which we live. I was not present, Mr. Speaker, during the delivery of the principal speeches which have been made on this measure, but I have had the advantage of reading the whole of them, and I therefore am as capable of dealing with those contributions thus made to the debate from time to time by honorable members, as if I had been in the Chamber, and had listened to them. I am brought to this conclusion from having read with very great care the speech of the Minister who introduced the Bill—that he had no more conception of the far-reaching provisions of the measure which had been intrusted to his charge than the veriest tyro who might have been brought into this House for the purpose. The honorable gentleman, I will admit, approached the measure with great earnestness, even with fervour, but he must have discovered by this time that to deal with a complicated Bill of the kind, full of cross references of a very abstract character, is entirely beyond his capacity. I am really reminded—and I say it with the best possible feeling—of the honorable gentleman's attempt, about four years ago, to introduce a measure which was intended to deal with Inter-State commerce. That also was a measure of a very complicated character, which has long since been abandoned. But the honorable gentleman, in attempting to explain this Bill to the House, showed how completely at sea, how completely "bushed" he was, with regard to the abstract

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economic principles which it involves. I am bound to say, that after having studied the measure, and read with very great care the speech in which the Minister introduced it, I felt that not only was I no nearer than before to an understanding of the Bill without a reference to its letter and spirit, but that the speech was rather calculated to mystify one as to what was really meant by its complex provisions. The honorable gentleman made an explanation to the House—from which I shall take the opportunity of giving one or two quotations—that really had nothing whatever to do with the Bill. He had in his mind a measure of a character so drastic—even as compared with this Bill, which itself, he said, was more drastic than the one which it succeeded, that, if ultimately placed upon the statute-book, it would have struck the most vital blow at the future prospects of this country that could possibly be conceived. But, fortunately, the honorable gentleman who had charge of the Bill quite exaggerated its effects; and I am sure—after what I have heard of the criticisms of the leader of the Labour Party, and others upon it—that when it emanates from Committee, the Minister himself will hardly recognise it as the measure which he introduced. I am bound to say, also, that I read with very great interest three speeches delivered in the course of this debate—those of the honorable member for Kooyong, the honorable member for Bland, and the honorable and learned member for Corinella. It was really refreshing, and delightful, if I may say so, without being suspected of irony, to see that the honorable member for Bland, leading the Labour Party, had, at last—though it was the first time I had heard him give expression to any such sentiment—recognised that there were some "inexorable tendencies" in commerce; I myself should call them economic laws, but obviously he was not prepared to admit their title to that term. But he admitted—and it was, I repeat, refreshing to hear him—that there were certain tendencies in commerce which he himself said were "inexorable." Well, I am not prepared to quarrel with the honorable member as to whether or not a tendency in commerce which is inexorable should be called a law. It does not matter what we call it. The law of gravitation is a tendency, and a very inexorable one. But whether we call it a law or not, we take as much care as possible not to come under it if it should be

in our way. We have been accustomed to hear the members of the Labour Party talk about such matters as the laws of political economy in a genuine swash-buckling spirit, as if since they had come into power economics must go to the winds. And I say yet again that not only was it refreshing, but that I felt that the honorable member had come partly round to my stand-point in politics when I found that he at last — and his party, probably—recognised that there were such things as economic laws with which, like the law of gravitation, we have to avoid conflict if we desire to obtain that success in our commercial life which we are all anxious to see realized. Well, I welcome the speech of the honorable member for Bland. I welcome it as a highly intelligent contribution to this debate, because it showed that the result of a consideration of some of the economic tendencies which he now recognises had led him to the conclusion that certain parts of this Bill were not likely to meet with any success. The honorable member for Corinella made a speech which I read with very great interest. I was glad, too, to see that the honorable member for Parramatta and the honorable member for Bland had been able to carry on such a very interesting and very instructive series of cross observations, one to the other, as throwing light upon the Bill. I do not hesitate to say that, taking into consideration the best of the speeches which have been made on this measure, it has been one of the most ably and completely discussed we have ever had brought forward in this House. In approaching its consideration, I feel that one ought to take up a thoroughly logical position. I assume that we all recognise that we should avoid legislation as much as possible. I remember that many years ago—I think it was twenty-five years ago; certainly it was in his salad days—the honorable member for Ballarat delivered in some part of Victoria an address in which he boasted to his constituents that the Government of which he was a member had added two inches to the Statutes.

Mr. DEAKIN.—It was in 1883.

Mr. BRUCE SMITH.—It was evidently a red-letter day in the honorable member's career, and he remembers it well. I am quite sure that, with his longer life and his greater experience of political matters,

he would not now consider it a subject for boasting that he had added two inches to the statute-book. I take it that he agrees with me, and I think most thoughtful persons do in this respect, that it is the province of the legislator, if possible, to avoid legislation. The object of a Parliament is not necessarily to add to the statute-book, but to supervise the affairs of the country, to see that everything is progressing satisfactorily, and to pass laws only when it becomes necessary to curtail the liberties of the people in order to prevent some abuse or injustice to any part of the citizens. I, therefore, start my analysis by presuming that there is an onus on those who introduced such a far-reaching measure as this, to give the House and the country good and sufficient reasons why it should be made law. The honorable member for Hume gave no reasons whatever, because — and I say it with the very best possible spirit — I do not think he understood the Bill. His observations about the Bill, and what it would enable him to do, clearly showed that he did not know either the extent or the limit of the powers which it proposes to give. Therefore, so far as he was concerned, I am bound to say that no justification has been put before the House for the introduction of the measure. It deals, as we all recognise, with two things—what are called “monopolies” and what is popularly called “dumping.” But no one has yet attempted to define either “monopoly” or “dumping.” Certainly, the honorable member for Hume never went near the question of the definition of dumping. He told us that this Bill was “not the same as the last Bill”; that it was “more drastic”; that “it was not a long Bill.”

Mr. WILKS.—He is getting a roasting to-night.

Sir WILLIAM LYNE.—It does not roast me a bit coming from the honorable and learned member.

Mr. BRUCE SMITH.—I am sure that the Minister of Trade and Customs understands the spirit in which I offer my criticism. I only want to express some fair and reasonable comments on the measure, and if I think that the honorable member does not understand the Bill which he has introduced, I am perfectly entitled to say so, as I do, in the fairest possible spirit. He said—and this seemed to me to indicate an extraordinary misconception of the difficulties of the Bill — that “it

was not a long Bill, and that therefore, he did not intend to occupy much time in explaining its provisions." Then, to use his own words, he told us afterwards that it was "rather an important Bill." It is not "rather an important Bill." It is the most far-reaching Bill which the honorable member has ever introduced, or ever will introduce here; and even if I wish him a long life and a long Ministerial existence, I am quite sure that he will never introduce here a Bill which will go so completely to what I call the commercial and industrial vitals of the country as this Bill is calculated to do. He undertook to say what it did. He said that it was to prevent monopolies, and then, in order to show how necessary it was to prevent monopolies, he declared that it was requisite to read of the gigantic trusts in other countries than Australia in order to understand this Bill. One would think, sir, that in this country we have quite enough material for legislation without adding to our statute-book because of the abuses which have taken place in other countries. The honorable member went on to say that similar monopolies to those in the United States "do not exist in Australia." So by his own confession as to the Bill being aimed at a state of things which does not exist in Australia, one is brought to this conclusion: that this is a Bill which is sought to be passed in a community of 4,000,000 persons, with a very moderate protective Tariff, because of abuses which have arisen in a country with 86,000,000 persons and a practically prohibitive Tariff. That is where the honorable member leads us by his own admission. The honorable member for Moira, who spoke shortly after the Minister, said that "competition up to date in Australia had done no harm." So that we have from the Minister and one of his strongest supporters the admission that the conditions at which the Bill is aimed do not exist in this country. I am endeavouring to direct the attention of honorable members to the uncommon straits to which the Minister was put in order to justify himself in introducing the Bill. He said—

This is not a question of free-trade or protection, but of whether capital shall be allowed to accumulate to such an extent and applied so that it can dominate not only persons and companies, as it does in America, but it is alleged even the Senate of that country.

So that the honorable member had to drag in as a justification for the Bill the fact

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that in a community of 86,000,000 persons, where an almost prohibitive Tariff exists, it had been stated that certain trust proprietors had attempted to bribe the Senate of the United States. Now one is brought—and I do not do it as a piece of advocacy—to ask one's self this question: Have we not already in this country sufficient subjects for legislation to enable us to go on with the business of this House, without anticipating a time when we shall have grown considerably in regard to our population, and when we shall have reached a condition of our Tariff—and I do not believe that we ever shall—which may bring about a repetition of the abuses said to exist in the United States? Have we not sufficient subjects for legislation in this country without dealing with this question of monopolies at the present time? I am brought to the conclusion, which a number of other members have expressed in better terms, that this is not an urgent Bill; that it is not one which is at all wanted at the present time; that it is not only premature, but is not understood by its introducer, and is nothing more nor less than a political placard for the Labour Party and the Government at the next general election. No doubt it would be a very useful thing with certain classes to be able to say, "Well, you have seen the reports of all these dreadful abuses in the United States. We, as a Government, are not going to allow that sort of thing in Australia, therefore we have introduced and passed a Bill"—they will say that, however much it may be mauled about here—"which is calculated to put a stop to anything of the kind which may be started in Australia with regard to monopolies or to this system of dumping." Now, the object of the Bill is, as I have said, twofold, and I am stating this apart from the explanation of the Minister. The one is to prevent combines, in or out of the Commonwealth, which are likely to be destructive to our local trade; and the other is to prevent dumping. I shall come to the question of what dumping really means in a moment. I have no hesitation in saying that the attempt to prevent combines, in the sense in which they are spoken of in the Bill, will be futile. I have no hesitation in saying also, as the result of a careful and thoroughly impartial review of this measure, that the attempt to prevent dumping will be impracticable. Now, coming to

another branch of my subject, one cannot help being struck with the irony of events, because, in the first place, there is no attempt here to deal with those combines or trusts which are well known in this community as trade unions. There is no worse or more arbitrary form of combination in this country than the trade unions.

Mr. HUTCHISON.—The employers' unions included.

Mr. BRUCE SMITH.—I am speaking of trade unions. I do not wish to go into detail on this matter, but I shall differentiate the two by one illustration. We know that for four years the trade unionists of this country have been doing their utmost to shut out all fellow-workmen who do not choose to come under the influence and the control of their unions.

Mr. HUTCHISON.—Nonsense!

Mr. BRUCE SMITH.—They have been claiming preference ever since this Parliament came into existence.

Mr. HUTCHISON.—You set us the example.

Mr. BRUCE SMITH.—I shall not say whether there is an example or not.

Mr. POYNTON.—That is what the honorable and learned member does in his union.

Mr. BRUCE SMITH.—I only want to say that it is one of the most arbitrary combinations in relation to commerce and industry which could possibly exist in any country. The Government have not attempted to deal with this most arbitrary of all combinations. We know very well that one of the essential and indispensable elements of all industry is labour, and that if labour is so managed and organized that it is impossible to control or command it in any way in the markets of the country, it is impossible for industry to go on. Yet this Bill, which professes to deal with every possible sort of combine or trust, has not touched, or attempted to touch, this particular form of combination, which I say is as important, as menacing, as dangerous, and as indispensable to be curtailed as any which the measure ever contemplated.

Mr. HUTCHISON.—We will experiment with the union to which the honorable member belongs to begin with.

Mr. BRUCE SMITH.—I undertook to differentiate. I do not care to deal with interruptions as a rule, but the honorable member has mentioned the Employers' Union. I have nothing to do with that union, and I am not at all interested in it. My interests do not touch that union in

any way; but I would like to say that there never has been any attempt on the part of any Employers' Union I have heard of in Australia to boycott any other employers who do not choose to come into the union.

Mr. HUTCHISON.—Has there not?

Mr. PAGE.—What about the Pastoralists' Union?

Mr. BRUCE SMITH.—If there is anything of the sort I shall be glad to see it brought under the influence and control of this Bill, together with trade unions. As pointing to the irony of facts, it is noticeable that at the very moment when the Government are putting this Bill before Parliament as an indispensable measure, they are doing their utmost to encourage one of the biggest shipping combinations in England in connexion with the mail service. The Government on this occasion happen to be buyers in the market, and, notwithstanding that two well-known companies—the Orient Steam Navigation Company and the Peninsular and Oriental Steam Navigation Company—have served this country, one for twenty-five or thirty years, and the other for fifty years, the Government, which is professing such an abhorrence for combinations of all kinds, is bringing about a great combination of shipping, so that they may, by what some of the Labour people would call a system of commercial sweating, get the mails carried at a lower price than hitherto.

Mr. POYNTON.—We pay too much.

Mr. BRUCE SMITH.—I do not care what we pay. I say that the Government, who are professing to be so anxious to stop this sort of thing by means of this measure, are to-day doing that which they condemn. The *Melbourne Age* in to-day's leading article speaks of the "great shipping combination" by which the Government hope to get their mails carried at a lower rate. Surely the people of the country, who see what is going on, will recognise the hypocrisy of this measure. I could understand the position if the Government had said that they were going to introduce a Bill to prevent these combinations, and were certainly not going to encourage any combine of shipping in England in order to get a cheaper rate of carriage for their mails. But the mere fact that the Government have gone into the open market, and in calling for tenders have made no stipulation about combinations, shows that this is a hypocritical measure, and that in

placing it before the House the Government have their tongue in their cheek. It is a very easy matter to see the distinction that the Government draw. The combination that they are deliberately encouraging is one outside Australia. It does not matter to them what combinations there may be in England or the United States, so long as they do not come into our market and jeopardize the chances of our local manufacturers or merchants. So long as the Government can get a cheaper rate for the carriage of the mails, and win from the public the kudos which they may suppose will result from the making of a good bargain, they do not hesitate to encourage the very thing this Bill has been conceived for the purpose of condemning. I should like to draw honorable members' attention to certain clauses of the Bill, in order to show how much the Government are interested in the general public—the consumer. In several parts of the Bill the clauses require a sort of category of classes which are to be affected by the measure, and in every case the manufacturer is put first for consideration, the worker second, and the consumer third, although the consumer includes all the other classes.

Mr. PAGE.—The consumer pays for the lot.

Mr. BRUCE SMITH.—The consumer pays for the whole thing; and the attempt made in this Bill to artificially protect and coddle the local producer, can only have the effect of raising the price to the consumer, in whose interests the Government profess that it has been introduced. The Government forget that the shutting out of cheap goods which are offered to this country—the importation of which the Minister in charge of the Bill would unhesitatingly call dumping—can only have the effect of rendering those goods dearer than before. This places the burden on the shoulders of the consumer—whose interests are professed to be looked after—for the benefit and profit of the manufacturer and the worker. It must be obvious that if we put a ring fence around Australia, and thus enable local manufacturers to get increased prices, and local workers to get increased wages, it must be done at the expense of the consumer. The whole of this Bill is a subtle attempt—too subtle, I have said, for the Minister quite to see the logic of it—to throw on the consumer a very much increased cost in his daily life, in order to benefit the manufacturer and the worker. The public

pay in every case. As to the question of monopolies, dealing with it apart from party feeling, and apart from the fact that it is a question before Parliament, I have no hesitation in saying, as the result of as long study of economic matters as that, I suppose, of any honorable member, that, in my opinion, it is impossible for a monopoly, in the true sense of the word, to exist under free-trade. We may have concentration of great producing power in a free-trade community; but we can never have a monopoly in the sense in which the Minister who has introduced this measure uses the term. I heard one honorable member ask the honorable member for Bland if he could name any case in Great Britain in which a monopoly had been created, and the honorable member for Bland very wisely hesitated to name any. I would ask any honorable member in the House to name one.

Mr. KING O'MALLEY.—The tobacco trust.

Mr. BRUCE SMITH.—That is not a monopoly, but a trust, and I am not dealing with trusts, merely as such, at the present time.

Mr. CROUCH.—Will the honorable and learned member start by defining "monopoly"?

Mr. BRUCE SMITH.—A monopoly is the concentration of trade in the hands of one or more persons, so that it is impossible for anybody else to come into competition.

Mr. KING O'MALLEY.—As in the case of the tobacco monopoly.

Mr. BRUCE SMITH.—The attempted tobacco monopoly in England failed ignominiously, and the shipping monopoly, attempted by Pierpont Morgan, has been one of the most unmistakable failures.

Mr. WEBSTER.—Owing to the intervention of the Government.

Mr. BRUCE SMITH.—I am not going into causes, but the failure of that monopoly had nothing to do with the Government. The price of the shares was £100, and within a few months it was down to £10.

Mr. WEBSTER.—Owing to what cause?

Mr. BRUCE SMITH.—Owing to competition from outside. I shall not reason economics with the honorable member for Gwydir, because I think that is a branch of science with which his mind is not familiar.

Mr. WEBSTER.—That is very nasty!

Mr. BRUCE SMITH.—It is a very quiet and friendly remark.

Mr. WEBSTER.—That may be, but it does not reduce the vanity of the honorable member for Parkes.

Mr. BRUCE SMITH.—I am sorry if the remark hurts the honorable member. A monopoly, in the sense in which some honorable members have justified legislative interference, is such a complete absorption of a particular industry as a man gets by means of a patent. If a man takes out a patent—and we all like to encourage men to exercise their inventive genius—he gets a monopoly, because the law practically prevents anybody else from competing with him in a particular commodity.

Mr. DEAKIN.—For a fixed term.

Mr. BRUCE SMITH.—For a fixed term, no doubt, there is a complete monopoly under a patent, for it is absolutely impossible for anybody to enter into competition. It is quite possible to get a monopoly for a considerable term in any country, in which the Tariff is so high that competition from outside is impossible. For instance, in the United States I know that twenty-nine great paper-manufacturing companies have put their affairs together, and practically have the whole industry in their hands. I admit that for a time that is a monopoly, but—

Mr. CROUCH.—Does that meet the honorable member's definition? Is competition excluded in that case?

Mr. BRUCE SMITH.—I do not think that it is absolutely, but for a time it would exclude competition. A trust is a different thing. The word "trust" has not, necessarily, anything to do with monopoly, although it is often applied to the latter. We may have a trust in a form that does not involve a monopoly, the latter being a condition of things in which one person only has the production or trading. It is only in the latter case, I take it, that the Legislature is entitled to interfere. The Governments in Australia have the monopoly of railway traffic, and that is a very good illustration of my meaning.

Mr. POYNTON.—What about the shipping companies?

Mr. BRUCE SMITH.—The Prime Minister admitted, I think, the other night that the shipping companies have not a strict monopoly. There is a ring which lasts for a time, and then breaks up. I am speaking of things I know—things I have dealt

with. I have seen rings made, and have participated in them; and, for a time, there is a monopoly. After a time, however, when a trust seeks, as it very often does, to get more than a reasonable profit, the ring breaks, and outside competition comes in.

Mr. WEBSTER.—What happens if it does not break?

Mr. BRUCE SMITH.—If a ring does not break, then, I suppose, it remains whole and sound.

Mr. HUGHES.—But what are the effects during the time a ring is operating?

Mr. BRUCE SMITH.—During that time, the effects are not injurious, and may be advantageous to the public, unless the ring abuses its power; and the moment it does so, it breaks up, and competition comes in. I have in my hand a very interesting book by the great master of the world of trusts, Andrew Carnegie. The book is entitled *The Gospel of Wealth*, and is, I consider, of great economic value. It was written at a time when Andrew Carnegie had retired from business with £40,000,000, a large part of which he has given back to the public in the form of libraries. I ask honorable members to listen to what I am about to read, because it comes from a master of the subject, who has looked at it from all points of view. We all know that Andrew Carnegie began life in a very small way, and has had an opportunity of observing the ramifications of trade and commerce at all stages of a career, from nothing to £40,000,000. Writing under the head of "Popular Illusions about Trusts," he says—

We see in all these efforts of men the desire to furnish opportunities to mass capital, to concentrate the small savings of the many, and to direct them to one end. The conditions of human society create for this an imperious demand; the concentration of capital is a necessity for meeting the demands of our day, and as such should not be looked at askance, but be encouraged. There is nothing detrimental to human society in it, but much that is, or is bound soon to become beneficial. It is an evolution from the heterogeneous to the homogeneous, and is clearly another step in the upward path of development.

Abreast of this necessity for massing the wealth of the many in even larger and larger sums for huge enterprises another law is seen in operation in the invariable tendency from the beginning till now to lower the cost of all articles produced by man. Through the operation of this law the home of the labouring man of our day boasts luxuries which even in the palaces of the monarchs as recent as Queen Elizabeth were unknown. It is a trite saying

that the comforts of to-day were the luxuries of yesterday, and conveys only a faint impression of the contrast, until one walks through the castles and palaces of older countries, and learns that two or three centuries ago these had for carpets only rushes, small open spaces for windows, glass being little known, and were without gas or water supply, or any of what we consider to-day the conveniences of life. As for those chief treasures of life, books, there is scarcely a working man's family which has not at its command without money and without price, access to libraries to which the palace was recently a stranger.

If there be in human history one truth clearer and one more indisputable than another it is that the cheapening of articles, whether of luxury or of necessity, or of those classed as artistic, insures their more general distribution, and is one of the most potent factors in refining and lifting a people, and in adding to its happiness. In no period of human activity has this great agency been so potent or so widespread as in our own. Now, the cheapening of all these good things, whether it be in the metals, in textiles, or in food, or especially in books and prints, is rendered possible only through the operation of the law, which may be stated thus: Cheapness is in proportion to the scale of production. To make 10 tons of steel a day would cost many times as much per ton as to make 100 tons; to make 100 tons would cost double as much per ton as 1,000; and to make 1,000 tons per day would cost greatly more than to make 10,000 tons. Thus, the larger the scale of operation the cheaper the product. The huge steam-ship of 20,000 tons burden carries its ton of freight at less cost, it is stated, than the first steam-ships carried a pound. It is, fortunately, impossible for man to impede, much less to change, this great and beneficial law, from which flow most of his comforts and luxuries, and also most of the best and most improving forces in his life.

In an age noted for its inventions, we see the same law running through these. Inventions facilitate big operations, and in most instances require to be worked upon a great scale. Indeed, as a rule, the great invention which is beneficent in its operation would be useless unless operated to supply 1,000 people where ten were supplied before. Every agency in our day labours to scatter the good things of life, both for mind and body, among the toiling millions. Everywhere we look we see the inexorable law ever producing bigger and bigger things. One of the most notable illustrations of this is seen in the railway freight car. When the writer entered the service of the Pennsylvania railroad from 7 to 8 tons were carried upon eight wheels; to-day they carry 50 tons. The locomotive has quadrupled in power. The steam-ship to-day is ten times bigger, the blast furnace has seven times more capacity, and the tendency everywhere is still to increase. The contrast between the hand printing press of old and the elaborate newspaper printing machine of to-day is even more marked.

Mr. HUGHES.—I do not wish to interrupt the quotation, but I ask, Mr. Speaker, if the honorable and learned member is within his rights in quoting from a book

— Bruce Smith.

ad libitum. If he is, there is no reason why he should not read the book right through; but if he is not, I should like to know what rule is enforceable against him. If his own moderation does not teach him that we have had enough, and if you, sir, do not lay down some rule in this case, I, for my part, see no option but to retire.

Mr. SPEAKER.—An honorable member has the right to make his speech in his own way, so long as he keeps within the Standing Orders, and must himself determine whether his quotations shall be long or short, provided that they do not occupy more than a certain proportion of his speech. If an honorable member spoke for ten minutes, and quoted throughout that time, there would be an excess of quotation; but, if he spoke for an hour, and quoted for ten minutes, I think there would not.

Mr. BRUCE SMITH.—It is unfortunate that the honorable and learned member was not here during the afternoon.

Mr. MAUGER.—We all have the book.

Mr. HUGHES.—Any one can buy it for 3s. 6d. It is not right to quote from it at this length.

Mr. BRUCE SMITH.—The quotation continues—

We conclude that this overpowering, irresistible tendency towards aggregation of capital, and increase of size in every branch of product cannot be arrested or even greatly impeded, and that, instead of attempting to restrict either, we should hail every increase as something gained, not for the few rich, but for the millions of poor, seeing that the law is salutary, working for good and not for evil.

In another part of the same chapter, the writer says—

The people are aroused against trusts because they are said to aim at securing monopolies in the manufacture and distribution of their products; but the whole question is, have they succeeded, or can they succeed, in monopolizing products? Let us consider. That the manufacturer of a patented article can maintain a monopoly goes without saying. Our laws expressly give him a monopoly. That it has been wise for the State to give an inventor this for a time will not be seriously questioned.

Further on, he says —

There are only two conditions other than patents which render it possible to maintain a monopoly. These are when the parties absolutely control the raw material, out of which the article is produced, or control territory into which the rivals can enter only with extreme difficulty. Such is virtually the case with the Standard Oil Company, and, as long as it can maintain a monopoly of raw materials, it goes without saying that it can maintain a monopoly

in the product. This is a fact that the public must recognise, but what legislation can do to prevent it is difficult to say.

The last quotation which I wish to make from this chapter is this—

Every attempt to monopolize the manufacture of any staple article carries within its bosom the seeds of failure. Long before we could legislate with much effect against trusts there would be no necessity for legislation. The past proves this, and the future is to confirm it. There should be nothing but encouragement of these vast aggregations of capital for the manufacture of staple articles. As for the result being an increase of price to the consumer beyond a brief period, there need be no fear. On the contrary, the inevitable result of these aggregations is, finally and permanently, to give to the consumer cheaper articles than would have been otherwise possible to obtain, for capital is stimulated by the high profits of the trust for a season to embark against it.

These extracts are very pertinent to the discussion of monopolies. We wish to know their effects, looked at, not from a narrow, "hole-and-corner" aspect, but from a broad and comprehensive stand-point, with a full knowledge of their operations. In Mr. Carnegie we have a man of whom the world contains no equal. He has summed up in a philosophical way, at a period of his life when he must be credited with having no other purpose than the instruction of those who may look to him as a master of the subject, the results of a long and deep experience. We can all say, in our little way, "I have my own opinions on the matter," and many honorable members will say that. But if they pass the Bill as it stands—of which there is little chance—they must now do so with a full knowledge, gained from an experienced mind, of the good effects which large combinations are likely to produce upon the conditions of the people as a whole, as distinct from the two particular classes to which the Ministry seem anxious to give special attention. The burden is upon the Government to show, not merely that the Bill will benefit the manufacturers and the workers they employ, but ultimately the consuming public, which includes every workman, unionist and non-unionist, and every manufacturer. Unless the Government can satisfy the House that the measure is likely to benefit the public generally—the men, women, and children who make up our population of nearly 4,000,000—the House has no right to pass it. They must show that an approach to a monopoly is doing more harm to individuals than good to the community generally. One has only to refer to the stereotyped illus-

trations of history to support this position. Every one knows of the great injury done to the coach proprietors, coach drivers, and coachbuilders of Great Britain by the introduction of the railway locomotive; but a broad-spread blessing was thereby given to the people of that country and the world at large. The substitution of the spinning jenny for the old hand-loom brought about similar results. Certain limited classes were so annoyed and aggravated by that invention that they burnt the mills, and there were, in different parts of England, disturbances approaching the magnitude of riots. But the public as a whole has benefited by the enormous economy in the production of the articles which the invention of the spinning jenny now enables manufacturers to supply. The same thing occurred with the poor seamstresses whom Hood immortalized in his *Song of the Shirt*, when the sewing machine was introduced. We know that the class who had hitherto earned their livelihood with their fingers were displaced by hundreds and thousands. But to-day we find a sewing machine in every home, and we know that by means of this invention the poor are able to provide themselves with comforts and luxuries which at one time a monarch could hardly possess. The burden, therefore, is upon the Government, not to show that the Bill will benefit the manufacturers of Victoria, or even of Australia—because their interests are subordinate to those of the people of the Commonwealth—but to demonstrate that it will benefit the consumer, which includes all the other classes of the community. I come now to the question of dumping. I was very much struck with the crudity of some of the observations made by the Minister in regard to this portion of the Bill. He understood very slightly that part of the measure which relates to monopolies, but he was entirely at sea over the part relating to dumping. He said that dumping was "the curse of any country," and he spoke as if anything was dumping which enabled one country to send its goods into another to be sold there at a less price than that at which they could be produced locally. If that constituted dumping, and if a law were passed against it, it would simply mean that we should shut up Australia as China was shut up, and endeavour to become self-supporting against the people of the outer world whom we might at once speak of as

barbarians. I take it that there are two essential elements in dumping, according to its recognised definition. In the first place, the goods must be sent into a country to be sold there at a price below that which they cost where they were produced, and they must be sent into it for the express purpose of killing a local industry, with the ulterior motive of subsequently supplying that country with the same class of goods at high prices. Does anybody doubt the wisdom of our allowing the American people to sell us goods under cost if they choose to do so, apart from any sinister motive? There are a score of reasons why, from time to time, a great country like the United States, with a population of 86,000,000, may be in a position to forward to other countries where the means of manufacture are limited—as they are with us—large quantities of goods at very low prices. There are scores of reasons, other than those which the Minister is so ready to suspect, to explain such action. Carnegie has pointed out, in the quotations which I have read, how the cost of production decreases as the output of any particular product is increased from a small to a large quantity. Is it not very easy to suppose that in a country possessing 86,000,000 of people, and with the facilities and incentives to manufacture upon a large scale, which exist in the United States, the people will always be able to produce goods at a very much lower price than that at which we can produce them on a limited scale in this country? Will the Minister who has charge of this Bill ask the House to unconditionally shut out all the goods which America can send to us merely because they can be sold here at prices lower than those at which they can be produced in the country of their destination? May not that condition be due to the financial difficulties of some great combine in America which is prepared—as merchants are often prepared—to sell goods at less than cost price? May it not be due to the fact that by very clever management these goods have been produced at prices which we cannot possibly approach? May it not be that, by reason of the great quantities of any article which it produces—as Carnegie has pointed out—it can turn them out at prices which we can hardly believe to be possible? If the Minister is going to ask the House to give him power to prohibit the importation of goods which

Mr. Bruce Smith.

may happen to be sold here at a price less than that at which we believe they can be produced in the country of their origin, will honorable members be likely to tolerate such a ridiculous proposal? Should we not be bringing ourselves well within the recent definition of John Burns of being fit subjects for a menagerie or a lunatic asylum if we were to attempt to stop the introduction of cheap goods because we could not compete with them ourselves? Therefore this Bill very properly—if it is to be passed at all—requires that there should be some motive underlying the dumping of any commodity. I can understand the Minister—although it is opposed to my principles—being anxious that the American manufacturer should not be allowed to send goods to Australia, to be sold here at a less price than we can produce them, for the purpose of destroying our market, and with the object of subsequently securing that market and charging us much higher prices. But the Minister did not seem to think that that was the purpose of the Bill, because he said that what we had to guard against was the destruction of our manufactories by the introduction of the cheap goods of other countries. That is not the object of the Bill, and that is not dumping. I invite any honorable member to say whether he is prepared to apply the term “dumping” to the sending of goods into a country at a cost much below that at which they can be produced here. Looking at the Bill, I should like to ask how such a thing could be proved? The measure requires a number of conditions to exist before the term “dumping” can be properly applied to the importation of goods. In the first place, it is necessary that they should be introduced in such a way as to come into “unfair competition” with Australian products, the intention on the part of the exporter being that they “shall be sold or offered for sale, or otherwise disposed of, within the Commonwealth, in unfair competition with Australian goods.” Now, I would ask honorable members whether they understand those words to mean merely that the unfairness of the competition shall consist of the goods being sold at a cheaper price than that at which they can be produced locally, or whether they understand them to indicate that there must be an intention on the part of the foreign manufacturer to send them here in unfair competition

with the local article, with the object of destroying an industry. I would further ask how it is possible to prove in a Court of law that there was an intention on the part of a manufacturer in the United States—I will assume that this Bill is aimed at that particular country—to break down our market and destroy one of our industries, with the intention thereafter of supplying our market with goods at a higher price. I have no hesitation in saying that the first part of the Bill, relating to the prevention of monopolies, unless that word be used in the sense in which it has been used in regard to the granting of a patent, is impossible. Carnegie says so. The leader of the Labour Party thinks that it is impracticable. I read that statement in his speech. He thinks it is quite impossible to stop the aggregation of capital so as to bring about that condition of things which is popularly called a "monopoly." One is forced to pronounce dumping as impossible of proof unless the Minister is right in his interpretation of the word, and it merely means sending goods into Australia to be sold here at a less price than that at which they can be produced in the local market. Of course, the words "unfair competition" are used in this Bill, but that is a phrase which is so exceedingly vague that it is impossible to say what it means. What is unfair competition?

Mr. JOHNSON.—Successful competition.

Mr. BRUCE SMITH.—Is it, as the honorable member suggests, successful competition? If a manufacturer in the United States sends to Australia some commodity to be sold at 1s. which it would cost 2s. or 3s. to produce locally, would the Minister regard his action as dumping? Would he consider that, under the provisions of this Bill, he was justified in preventing the importation of that particular article?

Mr. McCOLL. — The Attorney-General has said that he would.

Mr. BRUCE SMITH.—Honorable members will not forget that the Minister, in introducing the measure, said that he had been advised that he had power under the Customs Act to prohibit importation, but that he entertained some doubt upon the matter, and therefore desired to gain larger powers under this Bill.

Sir WILLIAM LYNE.—I did not say that.

Mr. BRUCE SMITH. — The Minister did say it, and I will give him the page of *Hansard* upon which his statement appears.

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Mr. HENRY WILLIS.—It is contained in the Minister's speech.

Mr. BRUCE SMITH.—Exactly. The Minister said that he had been advised—I am speaking now from my reading of his speech as it is reported in *Hansard*—that he had power under the Customs Act to prohibit importation, but that he was doubtful about that power unless he obtained the additional powers which would be conferred in this Bill. The only fair inference to be drawn from that statement is that, if the measure be passed in its present form, he imagines that he will have power to prohibit importation.

Sir WILLIAM LYNE.—The honorable and learned member is putting an absolutely wrong construction on my speech, as he has been doing all the time.

Mr. BRUCE SMITH.—If the Minister will look at the *Hansard* report, he will see that what I say is correct.

Sir WILLIAM LYNE.—Read the last part of what I said.

Mr. BRUCE SMITH.—If these powers enabled the Minister to prohibit importation because he considered that certain imports were being dumped here, it is of enormous importance that we should know how he will interpret the word "dumping."

Sir WILLIAM LYNE. — The honorable and learned member could not have read the Bill, because it is not proposed to give the Minister any such power.

Mr. BRUCE SMITH.—I have brought the measure with me all the way from Sydney, and I have very carefully perused it. I sent for a copy of it a week ago. I do not say that the Minister will get the power that he desires, because the expressions of opinion on the part of the Labour Party are quite sufficient to induce the Government to say they prefer that these matters shall be adjudicated upon by a Justice of the High Court. For my part, I would not tolerate the Minister deciding them. I shall never forget his action in connexion with the Panama hats. Will the Minister listen now to what he did say in this connexion? He said—

As honorable members know, the Customs Act gives the Minister great power, and I have been told by legal authorities that he has now sufficient power, if he likes to exercise it, to prohibit the importation of harvesters or any other machinery; but, as I do not think that it was intended by Parliament that the Minister should exercise such power, I shall decline to exercise it until I am clothed with the powers provided for in the Bill now before the House.

Sir WILLIAM LYNE.—That is altogether different from the statement which the honorable and learned member made just now.

Mr. BRUCE SMITH. — The Minister said he had been advised by legal authority that he had power under the Customs Act to prohibit the importation of machinery of any kind, but that he was doubtful of his power.

Sir WILLIAM LYNE.—I did not say that I was doubtful of it.

Mr. BRUCE SMITH. — The Minister said that he did not think the House intended him to exercise that power, and therefore he would wait till he was clothed with the power which would be conferred by this Bill. According to the honorable gentleman, this measure will give him the power to prohibit the importation of goods. Consequently, I say it becomes important that we should know what the Minister means when he speaks of "dumping." The definition given to the House would not merely lead one to suppose, but would convince one that all that has to be done is that goods shall be imported in large quantities at a less cost than that for which they can be produced in this country, and the Minister will consider that to be dumping. We know very well that on very small provocation, and without any evidence having ever been put before this House, the honorable gentleman came to the conclusion that harvesters were being dumped into this country. To this day the House has never had any convincing evidence that the honorable gentleman was right in that transaction, but it suited him to play into the hands of the local manufacturers, whose interests he believes should always be the first consideration in this country. By the arbitrary power which he possessed as a Minister he determined that there was dumping in that industry, and he acted accordingly. Would there be any safety in a measure of this kind? Is any honorable member, after the Panama hat business, prepared to trust the Minister of Trade and Customs in this matter? I speak by the book when I say that the honorable gentleman had an opportunity to justify himself legally before the country on the Panama hat question, and had not the courage to do it. The consequence was that the importation of those hats was stopped. That matter concerned one small parcel of goods of no importance in itself, but it represented the feather which showed which way the wind blew. The honorable

gentleman had not the courage or the magnanimity to go into Court, as he was invited to do by Messrs. Henty and Company's solicitors, and show that he had a legal justification for what he had done. We have never heard to this day what those hats were sold for. I have heard privately, but the Minister of Trade and Customs never informed this House of the price he received for those hats.

Sir WILLIAM LYNE.—The honorable and learned member is making another incorrect statement.

Mr. BRUCE SMITH.—I refer to those matters only to justify my statement that the leader of the Labour Party was perfectly right when he said that he would not approve of this power being put in the hands of the Minister. I do not speak of the present Minister only, but of any Minister having such strong fiscal proclivities that his wish is father of his thought. Such a man might very readily determine that the importation of a large quantity of goods at a cheap price would come within the definition of dumping, and justify him in absolutely prohibiting the importation of that cheap article, thereby depriving 4,000,000 people of the advantage of cheap goods for the benefit of a few manufacturers in this or in some other city of the Commonwealth.

Mr. WEBSTER.—On a point of order, I desire, Mr. Speaker, to direct your attention to standing order 54, which provides that no honorable member—

... shall at any time stand in any of the passages or gangways.

I think that the position which the honorable and learned member for Parkes has occupied while speaking rather interferes with the entry of honorable members into the Chamber who may be desirous of listening to him.

Mr. SPEAKER.—I suggest to the honorable and learned member for Parkes that if it is not convenient for him to stand in front of his seat, he might come to the end of the table.

Mr. BRUCE SMITH.—In my agitation, I admit that I moved over a little further in the direction of the passage into the Chamber than I should have done. I apologize to the honorable member for Gwydir, who evidently desired to get out of the Chamber. I should like to say one or two words about the tribunal that is to be established. I understand from something which

was said by one of the Ministers, other than the honorable gentleman who introduced the Bill, that the substitution of a Judge for a jury, or for the Minister, in dealing with dumping, had been considered some time ago. I do not wish to go into the question as to when it was considered, or whether it was suggested at the dictation of other people. But I unhesitatingly say that the questions which are involved in this matter of dumping are of such a character that the duty of arriving at a conclusion such as would justify so drastic and far-reaching an act as the prohibition of imports, should only be intrusted to a very highly-trained man. It requires no comment of mine, and we have only to think for a moment what it would mean if, by some act of the Minister, goods could be stopped from coming into this country because they were cheap. I say that that would be a disaster to the country for which the Parliament that permitted it could never forgive itself. Therefore, there can be no doubt, and I am sure there will be no doubt on the part of the House, that the power of determining that goods have been dumped should be in the hands of some competent and impartial Judge who could not be suspected of possessing what I call fiscal leanings or fiscal proclivities.

Mr. WEBSTER.—Who would such a person be?

Sir WILLIAM LYNE.—The honorable Mr. Bruce Smith.

Mr. BRUCE SMITH.—That is for the Executive to determine. I do not for a moment think that he ought to be a legal man. I think he ought to be a man possessed of a wide knowledge of mercantile matters, and therefore the Minister by his very suggestive interjection has shown that he is really out of his reckoning. The questions that have to be considered with regard to the determination as to whether or not the introduction of goods to this country constitute dumping are many, because the test is whether the goods in question would come into unfair competition with any Australian goods. And in the second clause of Part III. of the Bill a number of paragraphs are grouped in order to describe what unfair competition is. One is—

If the person importing goods or selling imported goods is a Commercial Trust.

I do not know why the mere fact of there being a commercial trust should be conclusive evidence that the goods are being

dumped in the proper sense of the word; but so it is under this part of the Bill. Another is—

If the competition would probably, or does in fact, result in a lower remuneration for labour.

There the House will see that the labour is made dominant to the public interest. If cheap goods are coming into this country the Minister will have the power under this Bill to stop their importation on the ground that they come into unfair competition with Australian goods, because they would “probably result in a lower remuneration for labour.” There the wages of the few are made dominant to the interests of the whole people of Australia, who would benefit by the consumption of the cheap goods. The next paragraph is—

If the competition would probably, or does in fact, result in greatly disorganizing Australian industry.

Imagine an ordinary jury being called upon to decide whether or not the introduction of these goods would “greatly disorganize Australian industry.” So on in six or seven paragraphs unfair competition is defined. I say that inquiries of that sort, of a highly abstract, economic character, could not possibly be conducted except by a man of great ability, with large commercial knowledge; and the person dealing with them should be so far removed from the influences of Parliament and of fiscal leanings, as to be like Cæsar’s wife, “above suspicion.” If this House is going to permit the determination of whether or not the introduction of cheap goods into this country is properly within the definition of dumping, then I submit that the determination should be made only after a calm judicial consideration of the whole of the circumstances by some highly competent person, possessed of the sort of knowledge which I have indicated, as being indispensable to the proper elucidation of such questions. I come, then, to the conclusion that for the purpose of dealing with combines and monopolies arising out of them which have to be wilful, which have to be in restraint of trade, to the detriment of the public, and with the design of destroying or interfering, by unfair competition, with any Australian industry, and having regard to producers, workers, and consumers, this Bill is impracticable. Some such opinion was expressed by the leader of the Labour Party, and I mention that honorable

gentleman more particularly because I know what influence he has in this House. With regard to dumping, I consider that this Bill will act like a boomerang upon the community. It is required that "dumping" shall "probably lead to lower remuneration," which is one of the tests; it would disorganize Australian industry; it would throw workers out of work, and goods would have to be sold below the ordinary cost of production. The intention also would have to be unfair competition. I say that, in so far as it proposes to deal with dumping in its proper sense, this legislation is impossible and impracticable. I, therefore, say of the Bill, as a whole, that if we are to credit the Government with some economic knowledge, and with an honest knowledge of what will, and what will not, benefit the public, we can come to no other conclusion than that which has been expressed by certain honorable members of the Opposition—that it is, and must be, merely an attempt to manufacture a political placard with which to go before the country, in order to secure kudos at the next elections for having passed a popular measure.

Mr. CULPIN (Brisbane) [10.12].—I desire to say a few words on this Bill. I have listened with interest to the debate, and I have noticed that, whilst honorable members opposite have referred to the United States as the land of trusts, some have hastily drawn the conclusion that it is the land of trusts because it has passed the Sherman Act, which prevents trusts. A section of honorable members opposite hold the opinion that the growth of trusts in America is due to the unfortunate circumstance that the railways in that country are not owned by the State. They believe that the private companies owning the railways have greatly assisted in the growth of the trusts. There is something in that. But I remind honorable members that there are countries in which neither of these causes operate, and yet in which it has been thought advisable to pass legislation against trusts and combines. I refer honorable members to the example of Switzerland. In that country, the means of transit are under the control of the Government, and yet the Swiss have thought fit to pass legislation in their self-contained State intended to cope with such undesirables as are trusts and combines. The honorable and learned member for Parkes says that there is no need for this Bill, since there are no trusts

in Australia. It would appear that neither trusts nor combines are to be found in Switzerland, and, apparently, they are kept down in that country by means of the legislation which has there been passed. Mr. Charles Edward Russell, writing in one of the American magazines, when referring to the passage of anti-trust legislation in Switzerland, says of the Swiss Government—

Its hand is upon every corporation, big or little, public or private, that transacts a dollar's worth of business in Switzerland.

They have passed laws to provide for that in Switzerland, and we might do something of the same kind. I notice that in his article, Mr. Russell mentions the name of one of the authorities which, I think, I heard quoted by the honorable member for Kooyong, and says—

There are no cheques for Mr. Depew.

That is very significant. Mr. Depew is a member of the United States Senate, and has been quoted by honorable members opposite as a high authority on the question of trusts and combines. It is clear that if he were in Switzerland a man of that sort would have to be very careful of what he was doing. Mr. Russell further says—

There are no combine subscriptions.

That is an interesting point. It is notorious that in the United States big subscriptions are got up for political purposes by the assistance of these trusts. In Switzerland that would be prevented, and I hope that we shall be able to take such action as will prevent such a state of things arising in the Commonwealth. The honorable member for Parkes complained about the action of this Government in bringing a new shipping combine to Australia, but I think that to do so was only to carry out the honorable member's idea of competition. So far we have had no competition in respect to our mails, and that we should have it is only a fair and proper thing, in accordance with the principles which the honorable member has enunciated. I do not think that he ought to object to it. The honorable member for Parkes told us that monopoly cannot exist under free-trade conditions. I was in the United Kingdom some three or four months ago, and I found that many articles which used to be manufactured in England when I was there fifteen years ago have entirely disappeared from trade. I found that it was impossible to purchase a post-card which did not bear upon it the

words "Made in Germany." The same remark applies to ribbons and other goods. Drapers tell me that numbers of articles which used to be manufactured in England twenty years ago are now made abroad. I do not know whether monopolies are responsible for that, but nevertheless the change has taken place. The honorable member for Parkes quoted Mr. Andrew Carnegie as an authority in regard to trusts and combines. I should like to point out, however, that almost every speaker who has taken part in this debate during the last three or four days has said that the excuse given for the existence of combines in America is that there are in that country railways which the combines have secured and can use to their own advantage. Mr. Carnegie very carefully makes no mention of railways when he discusses the evil effects of trusts. It is notable that he is the one authority cited who makes no mention thereof, and that seems to me to tell against the weight of his opinion. I intend to vote for this Bill, because I believe that it is a step in the right direction.

Sir WILLIAM LYNE (Hume—Minister of Trade and Customs) [10.19].—I am glad that the principles of this Bill have received considerable attention from all parts of the House during the course of this debate. It would be idle for me, or for any one introducing such a measure, to say that it would not be possible to obtain some very useful information from debate such as we have had. In fact, the very object of threshing out a measure of such great importance as this in debate is to elicit information. The superior and honorable member for Parkes referred to me to-night in a deliberately offensive manner. I know that it was deliberately done, but his remarks do not affect me in the slightest degree. The honorable member quoted parts of sentences from my speech, and left out parts which he should in honesty have quoted.

Mr. BRUCE SMITH.—Did I not read it properly?

Sir WILLIAM LYNE.—The honorable member left out, apparently purposely, portions of the speech, but having listened attentively to his observations, I cannot say that he threw any glow of light on the Bill. I cannot pick out from his criticisms any points worthy of reply, except the passages in which he expressed his desire to prevent competition in reference to our mail contracts, and to keep the open door for black-

fellows and blackfellows' manufactures. But it is very evident to me, though the honorable member may deny it, that some few little things which I had the temerity to say when introducing the Bill must have hit him fairly hard. He had very little to say in reply to the statements which I made. He tried to make a point on the question of what is dumping. He said that I did not explain what dumping was.

Mr. BRUCE SMITH.—I said that the honorable gentleman did not understand it.

Sir WILLIAM LYNE.—I must be humbly permitted to say that I do not think the honorable member understands anything about the subject. If dumping were only what the honorable member tries to make out that it is, why have Canada and many other countries taken such extreme action to prevent it?

Mr. BRUCE SMITH.—Canada does not allow prohibition. . She only allows increased duties.

Sir WILLIAM LYNE.—The principle is exactly the same. I am going to quote from an authority to show what Canada has done, and the honorable member will see that, if Canada does not prohibit dumping, her Tariff practically permits the importation of dumped goods to be stopped.

Mr. BRUCE SMITH.—There is a duty of only 15 per cent.

Sir WILLIAM LYNE.—The principle is the same; it is done with the same view and for the same purpose. Will the honorable member say that there is no dumping when you can buy an article in America for £1 19s., whilst when that article comes to Australia it can be bought for 12s. 6d.? Is not that dumping?

Mr. BRUCE SMITH.—There may be very good reasons for that.

Sir WILLIAM LYNE.—I know that there are good reasons for it. There are similar reasons in connexion with iron and steel, and all classes of goods which contain iron and steel, that are imported into this country. Steel rails which, if purchased in America, would cost £5 12s. per ton, if purchased with a view to sending to Australia are sold at £4 12s. per ton.

Mr. BRUCE SMITH.—Yet it does not follow that there is dumping.

Mr. JOSEPH COOK.—What is the honorable gentleman quoting from?

Sir WILLIAM LYNE.—I am quoting from an official report that was prepared at the instance of the late Mr. Seddon by his officers, in which these particulars are

given as to the methods adopted in the United States of America in reference to goods dumped down on our shores. The result of this information was that Mr. Seddon brought in his legislation which expires next October, I think. He obtained this report with a view to substantiate the action which he was taking. The report enumerates about fourteen or fifteen articles as examples, giving the prices in America, and the prices charged if the goods are to be exported from America to other countries.

Mr. BRUCE SMITH.—It does not say that the price is less than the cost price to the manufacturers.

Sir WILLIAM LYNE. — It does not matter whether the price is less than the cost price or not.

Mr. BRUCE SMITH.—That is the honorable gentleman's opinion.

Sir WILLIAM LYNE.—It is, I venture to say, the opinion of every man of common sense, although I am not a great commercial authority, as the honorable member says he is.

Mr. JOSEPH COOK. — Those facts may merely indicate abnormal values in the exporting country.

Sir WILLIAM LYNE.—They indicate nothing of the kind. This sort of thing is done mostly by trusts, because trusts can the more easily do it. This New Zealand document says—

Perhaps the accusation against trusts that has most foundation is that they export goods to be sold abroad at lower rates than are charged for the same articles in the country of their production. This is sometimes faintly denied, but is more often boldly acknowledged and justified by the officials of the trust corporations.

In my speech in introducing the Bill, I quoted this list of articles, but I have now had the values turned from dollars into pounds, shillings, and pence, in order to show that when these goods are dumped down on our shores they are sold for at least a third, and at times one-half, less than their price in America.

Mr. LONSDALE.—Does that indicate that they are sold at less than cost price?

Sir WILLIAM LYNE. — It does not matter whether they are sold at less than cost price or not. They are dumped down here, and they interfere with our trade. I am referring to this matter to show that this practice of dumping is regularly followed in the United States. When I previously spoke I referred to the total quantity of imports of iron and steel into Australia for

the year 1905. That total amounted to £7,140,825. I said that a great portion of those imports came from the United States. At that time I thought that a larger proportion came from America than is really the case. I have since had the figures analyzed, and I find that, as far as we can judge, the country of origin of iron and steel to the value of £4,715,148 is the United Kingdom, though I am told that some portion of that comes here in the name of firms in the United Kingdom, though the iron and steel is really Belgian. Iron and steel to the value of £1,599,769 come from the United States. The imports of iron and steel from Belgium, Germany, and the United States combined amount to £2,421,406 out of the total quantity of £7,000,000 odd. This system of dumping is doing serious injury to our manufactures in Australia. That is the game that the foreign manufacturers of harvesters have been playing in this country.

Mr. KELLY.—If the evidence is so clear, why not wait for the report of the Tariff Commission?

Sir WILLIAM LYNE. — It is not a matter that is connected in any way with the Tariff Commission. I have information which shows that, though there are other combinations of a serious character outside the United States of America, they are not so serious as are the American combinations. But I have in this report a list of the corporations which have grown up in Great Britain with capitals of £8,000,000, £9,000,000, £6,000,000, £3,000,000, £7,000,000, £4,000,000, £8,000,000, £2,000,000, and so on.

Mr. LONSDALE.—Are they trusts?

Sir WILLIAM LYNE.—All these separate corporations have grown up of late years, and they are a menace to Great Britain. It is stated in this report—

There is no active, political, or national feeling against the aggregation of British firms into powerful corporations. It is only lately that a distinct feeling of uneasiness as to the possible future of business has arisen.

Mr. BRUCE SMITH.—Would the Minister name one of them which is a monopoly?

Sir WILLIAM LYNE.—I believe that some of them are very considerable monopolies. I do not wish to go into details on this subject to-night, but merely to show that not only in the United States,

but in Germany, Canada, and other parts of the world there are strong financial trusts and monopolies which are controlling to a large extent the trade. I think the Steel Trust of America has 90 per cent. of the machinery trade of the world. We are taking time by the forelock. It has been admitted by nearly every speaker that it is a very difficult thing—and this was the cause of the speech of the leader of the Labour Party—to cope with the trusts in the United States, which have been allowed to grow to such gigantic dimensions. Had the Congress in the early years of the Republic taken the course which we are now taking—I admit that we have the advantage of the example of what has taken place there—they would have been able to cope with the trusts, and prevent them from growing to the magnitude which they have reached. They are a menace not only to American people, but also to all those with whom they trade. Here is a little example of an American trust in connexion with the boot trade. I do not wish to mention any names, but I hold in my hand an original agreement, which any honorable member can see if he wishes. The trust send their machines and agent here. They bind nearly all the large bootmakers, who pay by the record of stitches, and under leases. They will not sell the machines, nor will they allow any other machines to be worked side by side with them. If the trade expands to that extent, that new machinery must be got—the trust will not allow the bootmakers to get new machinery except from themselves. They reserve to themselves the right to supply all the new part of machines. There is an absolute prohibition against any one using a machine, and against any one giving or selling a machine to the bootmakers. And if one condition of the agreement be infringed they have the power of recalling their machine at once.

Mr. LEE.—Can no one else purchase them?

Sir WILLIAM LYNE.—They will not allow that to be done.

Mr. WATKINS.—Do they only lease the machine?

Sir WILLIAM LYNE.—They only lease the machine, and even when it is worn out they will not sell it.

Mr. KELLY.—Is it a patented machine?

Sir WILLIAM LYNE.—Of course it is. Here is a letter on the subject which

I received to-day in consequence of some statements which had been made in opposition to the Bill—

As an illustration, last year a shoe manufacturer in Melbourne put in one of our machines, which he worked alongside the American machines he had previously in his place. A month or so after he had a solicitor's letter demanding a return of the American company's machines.

Mr. HENRY WILLIS.—What is the machine called?

Sir WILLIAM LYNE.—I do not wish to mention the name of the machine.

Mr. LONSDALE.—Why not?

Sir WILLIAM LYNE.—I told the persons from whom I received the information that I would not give the names.

Mr. FULLER.—Then why give the information at all?

Sir WILLIAM LYNE.—Because I think it should be known what these trusts are doing in Sydney and Melbourne.

Mr. KELLY.—Why not name the trust?

Mr. TUDOR.—Do not be drawn by the other side.

Sir WILLIAM LYNE.—The Opposition are not going to draw me. They can look at the agreement in my hand, and if they do they will see that what I am saying is absolutely correct. They are prepared to sit down here quietly and allow this state of things to continue in our midst. If it were allowed to continue until the patent ran out we could not get a machine of any kind, because our local manufacturers cannot get a model of the machine as the Americans and Canadians can do in the case of our ploughs and harvesters.

Mr. BRUCE SMITH.—The same thing can be done under our patent laws.

Mr. SPEAKER.—Order. I would appeal to the sense of fair play in the House to allow the Minister to proceed. During the speech of the honorable member for Parkes there was an almost utter absence of interjections, and I ask honorable members to listen to the Minister as they listened to the honorable member for Parkes.

Sir WILLIAM LYNE.—No parts of these machines can be made in the Commonwealth. Unless we can get our own people to make the machines, which they cannot do under this terrible hide-bound agreement, that condition of things will continue for all time, or until the patent runs out. And that is a position which should not be tolerated. I wish to read a few passages from the resolution

which the Treasurer of Canada submitted when he was dealing with the question of dumping—

If at any time it shall appear to the satisfaction of the Governor in Council, on a report from the Minister of Customs, that the payment of the special duty herein provided for is being evaded by the shipment of goods on consignment without sale prior to such shipment, or otherwise, the Governor in Council may, in any case, or class of cases, authorize such action as is deemed necessary to collect on such goods or any of them the same special duty as if the goods had been sold to an importer in Canada prior to their shipment to Canada.

That extract shows what was in his mind regarding dumping. There is another extract which I wish to read—

What we want is a high Tariff to exclude the manufacturers of the United States from this country. In the county of Colchester we have a great iron industry, and the great complaint of the people connected with that industry is that \$30,000,000 of manufactured iron comes into this country. We are prevented from building up our own industries, because honorable gentlemen opposite, while professing to protect them, are allowing \$30,000,000 of iron goods to come into this country, and are offering these people a bonus.

That applies well to honorable members sitting opposite at the present time.

Mr. KELLY.—Does the Minister wish to keep out all American importations?

Sir WILLIAM LYNE.—Not until we can manufacture all we need, and then I wish to keep out all American importations.

Mr. KING O'MALLEY.—Take a vote.

Mr. PAGE.—The Minister is "stone-walling" his own Bill.

Sir WILLIAM LYNE.—I am not "stone-walling" the Bill, but I am replying to some statements which have been hurled at me. I sat here very quietly while a great many unworthy epithets were being hurled against me. One or two honorable members tried to make out that it was a terrible thing for the Minister to have the power to deal with such matters as may arise under the Bill. The honorable member for Parkes said that it provides that the Minister shall have such power. Even in its original form it did not contain that provision. It provided that the matter should be referred to a Board, that the Board should make a report, and that if it were to the effect that the matters had been improperly done, then, without any discretion at all, the Minister had to put the Customs Act in force. That was the position as the Bill came here originally. It is intended, however, that

there shall be an alteration made in regard to the jury and the Board. A Judge will take the place of the Board, and give a judicial decision, which will be absolute, except that the Executive may, simultaneously if they like, modify or deal with the report.

Mr. PAGE.—Is it absolutely necessary that there should be a lawyer at the head of this inquiry? Is the Minister going to fatten the profession again?

Sir WILLIAM LYNE.—I can assure the honorable member that it is difficult to get the person one wishes to fill a position of this kind. I believe that a Judge of the High Court would give general satisfaction.

Mr. KELLY.—The Judge will award a penalty as well as decide.

Sir WILLIAM LYNE.—On the first occasion there will be no penalty inflicted, but the offender will be warned, and a certain injunction will take effect. It is only on the occasion of a second offence that the criminal part of the measure will be brought into force. There is another provision, which I cannot describe very well just now. There was great exception taken to the purchase of cheap goods in any part of the world in a special way, and bringing them here to compete with our own people in the sale of goods, or to affect the price of labour. There will be proposed an alteration, which will make the goods which come under that condition goods purchaseable from, or sent direct by the manufacturer, and cut out speculative purchases. The object of the alteration is to get the bed-rock manufacturing value, and if goods are brought in at below that point, then certain results will take place.

Mr. HENRY WILLIS.—May they sell them by auction?

Sir WILLIAM LYNE.—I do not know how they will sell them. If honorable members do not desire to hear this information now, I shall not give it; they will get it all in Committee to-morrow or the next day. I merely state these facts to show that my desire, as the representative of the Government, is to pass a measure that will prove beneficial. If it can be shown, in the beginning of the life of this measure, that it is harsh in its operations, the Government will be prepared to receive suggestions, though not suggestions that may result in the destruction of the Bill or in removing the body and leaving only the skeleton. There are other amendments proposed,

though not of so important a character. The amendments which I have mentioned will, I think, afford some satisfaction, and remove a feeling of fear, which, in consequence of their not understanding how far the Bill would go, appeared to be in the minds of the deputation which waited upon me to-day. I think that the alterations I have indicated show very clearly the scope of the Bill, and that much hostile feeling will be removed when the measure emerges from Committee. As to some remarks which were made by the honorable and learned member for Parkes, I have here a case in point, which arose in one of the law Courts. A number of merchants, amongst whom were the appellants in this case, formed themselves into an association or combine, with the object of controlling the maize market. The members of that combine entered into an agreement whereby, in consideration of the combine being formed, they bound themselves severally to certain conditions. I wish to state that the agents for that combine were McArthur and Company, of Sydney. There was some dissatisfaction raised in connexion with the combine, and, in the course of the hearing of an action which resulted, the whole facts were disclosed.

Mr. JOSEPH COOK.—Why mention only the one name?

Question resolved in the affirmative.

Bill read a second time.

In Committee:

Clause 1 agreed to.

Mr. KELLY (Wentworth) [10.48].—I propose to submit an amendment on clause 1.

Mr. DEAKIN.—The clause has been passed.

Mr. KELLY.—I understood that it was not proposed to go any further than the second reading to-night, and I desire to move an amendment on clause 1.

The CHAIRMAN.—I must remind the honorable member that clause 1 has been passed.

Mr. KELLY.—When there is a misunderstanding of this kind it is the invariable rule to put the question again. I say, without fear of contradiction, that there has been no resistance to the second reading of this Bill; and we on this side expect nothing but fair play when we are giving the Government all the assistance in our power.

The CHAIRMAN.—I understand that there has been some misunderstanding as to clause 1, and I propose to put the question again.

Mr. CROUCH.—I object. You, sir, have declared that clause 1 has been passed, and I do not think you have any right to put the question again.

Mr. JOSEPH COOK.—I submit there is no case on record in which a request like this, to again put the question, has been refused. Certainly, Mr. Speaker has never refused such a request, and it is the invariable rule, in cases of misunderstanding, to again put the question. I hope we shall not break this rule at the very entrance of this Bill into Committee.

Mr. DEAKIN.—Perhaps the honorable member for Wentworth will permit the clause to pass, on the understanding that if it afterwards be desired to submit an amendment, it may be recommitted.

Progress reported.

House adjourned at 10.50 p.m.

House of Representatives.

Thursday, 28 June, 1906.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

NAVAL LONG SERVICE MEDALS.

Mr. WATKINS.—Is the Minister representing the Minister of Defence now in a position to answer the question which I asked on Tuesday last, about the issuing of long service medals to the members of the Naval Brigade?

Mr. EWING.—I find that the question as to the power of the Department under the Defence Act to issue such medals is still awaiting decision by the Crown Law officers, but their answer is expected almost at once, and the honorable member will be informed directly it is obtained.

REPORT OF MILITARY BOARD.

Mr. KELLY.—In this morning's *Argus* the Minister of Defence is reported to have said to an interviewer—

Why should the Council of Defence have been called together oftener? They are a council that advise on questions of policy, and only need meet when policy is being

discussed. During my administration they have met twice—on the same question. They met to consider Captain Creswell's report—the one recommending a fleet. Then they met again to consider the report of Colonel Bridges on the same subject. And the two reports were so diametrically opposite that everybody was in a fog.

I wish to ask the Minister representing the Minister of Defence whether there is any reason why Parliament and the press should have been furnished with the favorable report, while the report condemnatory of the proposal to establish a Commonwealth Fleet was suppressed? Will he lay Colonel Bridges' report on the table of the House?

Mr. EWING.—As I am not prepared to answer the question right off, I ask the honorable member to give notice of it for to-morrow.

IMMIGRATION RESTRICTION ACT.

Mr. MAHON.—Has the Prime Minister observed a report by cablegram that the United States Congress proposes to repeal that portion of the American immigration restriction law under which admission is denied to penniless or incapacitated persons who are fugitives from religious or political persecutions in other countries? I wish also to know whether the Commonwealth Immigration Restriction Act has ever been used to exclude from Australia any person who, owing to religious or political persecution abroad, has sought refuge in this country?

Mr. DEAKIN.—I assume that the statement about the contemplated action of the United States Congress is correct. No such person as the honorable member refers to has been excluded from Australia under our Immigration Restriction Act.

POSTAL ADMINISTRATION.

Mr. JOHNSON.—I wish to know from the Acting Postmaster-General if the Department proposes to take legal proceedings against those who improperly, and without authority, recently sent through the post a private publication, known as the *Dairy Farmer and Agricultural News*, bearing on its wrapper the imprint "O.H.M.S." Is it usual for the officials of the Department to permit private publications enclosed in wrappers bearing that imprint to pass through the post merely because they contain the advertisement of a State Government? If so, will the same privilege be extended to all privately-owned newspapers in which the advertise-

ments of States Governments appear, irrespective of the political views advocated by those newspapers? Was the publication in question charged the usual rates of postage? Lastly, is the honorable member prepared to answer the questions on the subject which I asked yesterday?

Mr. EWING.—The honorable member has brought the matter before this House on two previous occasions. As I have informed him already, the Postal Department pays no regard to the political character of publications transmitted through the post. I find that a publication bearing on its wrapper the letters "O.H.M.S." has been sent through the post, but the Crown Solicitor, who was asked to look into the matter, has informed me that the Department has power to stop postal matter bearing wrappers on which are imprinted such misleading letters. Instructions were thereupon given to have all such communications stopped, and those instructions have been communicated to the Deputy Postmaster-General of the State. As to punishing those who were responsible for posting the publication in question, I am informed that, while the Department was under the control of the State Government, similar publications were allowed to pass through the post bearing, not only the impression "O.H.M.S." on the wrappers, but also the frank stamp of the Victorian Department of Agriculture. There seems to have been an arrangement under the Victorian Government between the Department of Agriculture and the Post Office, that periodicals dealing with cognate subjects should be so treated, which, perhaps, explains why the departmental officers have permitted this publication to pass. Under the circumstances, I do not think it necessary to take further action.

Mr. WILKS.—The publications which were the subject of the arrangement to which the honorable member refers were not of a political character.

Mr. MAUGER.—Yes; they were.

Mr. EWING.—We need not enter into that question, because the transmission of the publication referred to has been stopped.

Mr. JOSEPH COOK.—I think that we need enter into that question. It is the main question.

Mr. FRAZER.—Is it not a fact that the publication about which we have heard so much was sufficiently stamped?

Mr. EWING.—I understand that it was.

TASMANIAN MAIL SERVICE.

Mr. McWILLIAMS.—Is the Acting Postmaster-General prepared to lay on the table the correspondence relating to the recent alterations in the mail service between Victoria and Tasmania?

Mr. EWING.—I shall not object to laying it on the table of the Library, if the honorable member will be satisfied with that.

WARRNAMBOOL FIELD ARTILLERY.

Mr. WILSON.—Has the Minister representing the Minister of Defence any further information with regard to the dismissal of fourteen men from the Warrnambool Field Artillery?

Mr. EWING.—The Minister has asked for a report on the subject, and, as soon as it comes to hand, I shall inform the honorable member.

NEWCASTLE ARTILLERY.

Mr. WATKINS.—Has the Minister representing the Minister of Defence any further information in regard to the non-payment of the men who recently formed the guard of honour at Newcastle?

Mr. EWING.—I am informed that attendance on that occasion as a guard of honour was voluntary, and, therefore, no payment was made.

Mr. WATKINS.—I understand that the men were compelled to attend.

Mr. EWING.—I have no further information on the subject. The arrangements were made under section 34 of the regulations.

TRANSFERENCE OF STATE ASTRONOMICAL DEPARTMENTS.

Sir LANGDON BONYTHON.—Do the Government contemplate taking over the Astronomical Departments of the States? I ask the question because in some of the States the Meteorological and Astronomical Departments are so closely allied as to be almost inseparable.

Mr. GROOM.—There is a Bill before the House providing for the transference to the Commonwealth of the Meteorological Departments of the States. Competent authorities are very strongly of opinion that the Departments of Astronomy and Meteorology should be kept distinct, and, therefore, it is contemplated by the Bill to take over only the Meteorological Departments of the States.

PAPER.

Mr. DEAKIN laid upon the table the following paper:—

Correspondence relating to the steam-ship service between the Commonwealth and British New Guinea.

POSITION OF TELEGRAPH AND TELEPHONE POLES.

Mr. HUTCHISON.—I have received a letter from the corporation of Port Adelaide in which it is stated that—

The Postmaster-General is not required by Act to make any arrangements with the local authority as to the position of the telegraph and telephone poles before erection, and, after erection, should the local authority find that the position is not suitable, the cost of removal has to be borne by the local authority. This is looked on as an injustice.

Will the Acting Postmaster-General see if arrangements cannot be made in future between corporations and the Department before the erection of these poles?

Mr. EWING.—I shall be glad to furnish the honorable member with a statement as to the present procedure, and, if he finds anything to object to in it, he can take further action in the matter.

ATTENDANCE OF TROOPS AT THE OPENING OF THE VICTORIAN PARLIAMENT.

Mr. BAMFORD.—I wish to know from the Minister representing the Minister of Defence whether Commonwealth troops paraded yesterday at the opening of the Victorian Parliament? If so, did they parade with fixed bayonets, and were they supplied with ball cartridges? If they paraded with fixed bayonets, I should like to know if it is usual for troops to so parade at what is really a peaceful function?

Mr. EWING.—I shall endeavour to answer the honorable member's question later on, when I have obtained the necessary information.

COMMERCE ACT REGULATIONS.

Mr. FULLER.—I wish to know from the Minister of Trade and Customs when he intends to issue the regulations under the Commerce Act, and if, before doing so, he will consider the protest sent to him yesterday by fifty New South Wales companies against the grading of brands of butter.

Sir WILLIAM LYNE.—I hope that the regulations will be published in the next *Gazette*. Due consideration has been given to all the recommendations that have been made to me.

ENGLISH MAIL CONTRACT.

Mr. KNOX.—I wish to know from the Acting Postmaster-General if he can give the House any information in regard to the proposed new English mail contract. If not, when may we expect some definite and authentic statement?

Mr. EWING.—There is no information which it would be wise to communicate to the House at present.

Mr. KNOX.—When is it likely that information will be available to honorable members?

Mr. EWING.—Immediately the Government are in a position to give the information, it will be laid before the House. There will be no delay.

ABSENCE OF THE POSTMASTER-GENERAL.

Mr. WEBSTER.—When will the Postmaster-General be in his place to answer questions relating to the administration of his Department?

Mr. DEAKIN.—I anticipate that he will be here on Tuesday next, though I do not know that in the answering of questions he could surpass the Vice-President of the Executive Council, who has been acting for him.

EMPLOYMENT OF CLERICAL OFFICERS IN THE GENERAL DIVISION.

Mr. JOHNSON. — Is the Acting Postmaster-General yet in possession of information enabling him to reply to the series of questions which I placed on the business-paper yesterday, dealing with the employment of clerical officers in the General Division?

Mr. EWING.—The Acting Deputy Postmaster-General, Sydney, has furnished the following information:—

1. Although the work performed by several general division officers in the General Post Office is considered to be of a clerical nature, the positions occupied by such officers are classified in the general division. There is a number of officers in the mail branch classified in the clerical division performing work similar to that on which they have been engaged for many years, and which is now classified in the general division. The transfer of these officers

to clerical positions can only be effected gradually, and this is being done as opportunities offer.

2. Yes, until such officers be transferred to work classified in the general division.

3. No, any clerical officer employed in the mail branch is eligible, and his claims would be duly considered with all other eligible officers for advancement to positions classified in the clerical division.

4. A number of vacancies have occurred in the higher grades since the classification, which, if filled, would have admitted of a similar number of promotions from the fifth to the fourth class. Some of the vacant positions, however, have been abolished, while in other cases it has not, up to the present time, been considered necessary or expedient to fill them; the result being that comparatively few officers have been promoted from the fifth to the fourth class since the classification.

I may add that provision has been made on the 1906-7 Estimates of Expenditure for the promotion of a number of officers from the fifth to the fourth class.

REPORT OF MILITARY BOARD.

Mr. KELLY. — Following upon the question asked by the honorable and learned member for Corinella yesterday. I wish to ask the Minister representing the Minister of Defence whether, in view of the admission of the Minister of Defence that he may have altered the phraseology of the report of the Military Board, he will lay the report on the table of the Library for the information of honorable members?

Mr. EWING.—I am not aware of any such admission having been made, but I shall have pleasure in discussing the matter with the Minister, and of giving the honorable member and the House all the information possible.

INSPECTOR-GENERAL OF MILITARY FORCES.

Mr. CHANTER (for Mr. CROUCH) asked the Minister representing the Minister of Defence, *upon notice*—

Whether, in the appointment of an Inspector-General for the Military Forces, the Minister of Defence will adhere to his announcement that all appointments in the Australian Forces are to be made from Australians?

Mr. EWING.—Yes.

PUBLIC SERVICE: PENSIONS TO SOUTH AUSTRALIAN OFFICERS.

Sir LANGDON BONYTHON asked the Minister of Home Affairs, *upon notice*—

1. Is it not a fact that the Public Service Commissioner says all officers connected with Federal Departments must be treated on identical lines?

2. Do officers in South Australia retire on pensions?

3. Are not retired officers in some of the other States entitled to pensions?

4. As officers in certain States have preserved to them their rights to pensions, should not officers in South Australia retain their right to remain in the Service as long as would have been the case had they continued in the employment of the State Government?

Mr. GROOM.—The Public Service Commissioner has furnished the following answers:—

1. The policy of the Commissioner is, under similar circumstances, to treat all officers alike within the limits prescribed by the law.

2. No, but under the State law many of them are entitled to compensation on retirement.

3. Yes.

4. It is considered that all officers are now subject to the Commonwealth law as regards the age of retirement, but the question is at present *sub judice*, pending the action of Pilgrim v. Commonwealth.

QUALIFICATIONS OF MILITARY OFFICERS.

Mr. BAMFORD (for Mr. PAGE) asked the Minister representing the Minister of Defence, *upon notice*—

1. Is Colonel Robertson shortly retiring from the command of the Second Infantry Brigade; and, if so, when?

2. What reason does he give for retiring?

3. Is he retiring because he objects to a proposed new appointment?

4. What position does Major Parnell now occupy?

5. Has he been placed, through the influence of a senior officer, in a position unsuitable to the display of his abilities?

6. What position does Lieut.-Colonel Irving now occupy?

7. What special qualifications had Major Patterson to justify his being sent to England?

8. On whose recommendation are these officers sent to England?

9. Have any of the present Commandants passed the examination for Lieut.-Colonel?

10. If so, who are they?

11. Did General Hutton leave on record an unfavorable report of the abilities of Colonel Hoad; and what was such report?

12. Will the Minister give the House the assurance that all these officers who have been sent Home for special instructions will, on their return, be given positions where their abilities will be best displayed?

Mr. EWING.—The answers to the honorable member's questions are as follow:—

1 to 3. Colonel Robertson informs the Minister that he may have to retire, under the age for retirement regulations, within a few months, but when he does retire it will in no way be due to "a proposed new appointment."

4. Director of Engineer services.

5. No. He holds the highest position on the administrative staff at Head-Quarters in connexion with the Engineer services of the Forces, for which he was recommended by the Military Board.

6. Administrative and Instructional Staff Officer, New South Wales; and, at the present time, he is temporarily carrying out the duties of Assistant Adjutant-General and Chief Staff Officer, New South Wales.

7. Ability and good work.

8. The Military Board.

9 and 10. With one exception (when the appointment was made by the late Minister), the present Commandants held the substantive rank of Lieut.-Col., or higher rank, prior to the coming into force of the Commonwealth Defence Act and Regulations, and under the previous Regulations they were not required to pass any examination for that rank.

11. Before leaving for England, Major-General Hutton, at the request of the Minister, made confidential reports on all the officers of the Permanent Military Forces of the Commonwealth. The Minister considers it inadvisable, in the interests of the service, to make public these confidential reports. Before Colonel Hoad was appointed senior member of the Military Board, the Minister then in charge of the Department had in his possession the confidential reports made by Major-General Hutton on all the permanent officers.

12. Yes.

LEAVE TO MAJOR BRUCHE.

Mr. MALONEY asked the Minister representing the Minister of Defence, *upon notice*—

1. For what days was Major J. H. Bruche, D.A.A.G., Victoria, on leave in 1905?

2. For how many days, giving dates, was he on leave in 1906?

3. Did he spend part of such leave assisting Major Hawker at the inquiry at Queenscliff?

4. Did he interview witnesses of inferior rank at Queenscliff; and was he present at their examination by Major Hawker's solicitor whilst on such leave?

5. Do the regulations only permit leave extending over three weeks in cases where the officer is on a remote station?

6. Was Major Bruche on a remote station or at Melbourne?

7. Was Major Bruche granted extra leave from 28th February to 3rd March, 1906; and why?

8. Was it during this time he interviewed Queenscliff soldiers and assisted Major Hawker?

9. Was this leave extended in District Orders, or otherwise notified to the Minister?

10. Has the Minister in any way dealt with Major Bruche?

11. Did Major Bruche receive his promotion from Captain about this time, and on what date?

Mr. EWING.—The answers to the honorable member's questions are as follow:—

1. Nil.

2. Sixteen days — 9th to the 26th January; eight days—2nd to the 10th February; six days—26th February to the 3rd March.

3. No.

4. No. He was present during part of the examination of some of the witnesses by Major Hawker's solicitor whilst on leave.

5. No. Regulations provide for accumulated leave of six weeks being granted, as set out in paragraph 476 of the regulations, which applied to Major Bruche.

6. At Melbourne.

7. Yes, as he was entitled to more than one week's leave, being balance of his accumulated leave. He is still entitled to six days' leave, balance of accumulated leave for two years.

8. No.

9. No; not necessary for Commandant to notify the granting of this leave.

10. The Minister has expressed his disapproval of Major Bruche having been present at the examination of any of the witnesses in Major Hawker's case, and informed Major Bruche that such conduct must not occur again.

11. Yes. On the recommendation of the Promotion Board of which Major-General Finn is President. Promotion recommended on 16th January, and gazetted on 10th March, 1906.

TOLL TELEPHONE SYSTEM.

Mr. WEBSTER.—In view of the fact that the Postmaster-General is not yet able to resume his place in this Chamber, I ask permission to withdraw my motion, with a view to giving fresh notice for 19th July.

Motion withdrawn.

APPOINTMENT OF LIEUTENANT-GOVERNOR OF PAPUA.

Mr. WILKINSON.—I understand that some information that may be useful in the discussion of my motion relating to the appointment of an Australian citizen as Lieutenant-Governor of Papua has not yet come to hand, and I desire, therefore, to withdraw my motion for the present with a view to giving notice of it at a future date.

Motion withdrawn.

GENERAL ELECTION.

Debate resumed from 21st June (*vide* page 584), on motion by Mr. McCOLL—

That, in the opinion of this House, the Ministry should so arrange the business for this session that the general elections can be held on a date not later than the 15th day of November next.

Upon which Mr. MAUGER had moved by way of amendment—

That all the words after the word "House" be left out with a view to the insertion of the following words in place thereof :—"The general election should be held as soon as practicable."

Mr. DEAKIN (Ballarat—Minister of External Affairs) [2.50].—The resumed debate on this motion has come forward some-

what unexpectedly. I should like to know whether the honorable member for Melbourne Ports desires to proceed with his amendment?

Mr. MAUGER.—I think so. Why not?

Mr. DEAKIN. — Because as matters stand, I should prefer to see both withdrawn. The motion invites honorable members to express an opinion before final information has been received from some of the electoral officers. As honorable members have already been informed by the Minister of Home Affairs, the date mentioned in the motion happens to be one indicated to the electoral officers as that upon which Ministers desired to be able to hold the elections, if arrangements could be completed throughout the Commonwealth. Before the present session, and before any attention was called to this date, the Minister of Home Affairs had been proceeding exactly on the lines of the motion. At present, we are not in possession of the final reports from the most distant electoral officials, and are therefore not able to give a definite assurance that the elections will be held upon this date. When these reports are to hand, their effect will be communicated to Parliament. It is the intention of the Government to inform the House as soon as possible of the earliest date at which the elections can be held. They hope that honorable members, when they are fully advised of it, will do their best to assist us in accelerating the business of the session, and bringing our proceedings to a close. Under these circumstances, I think that the motion might be withdrawn, or, at any rate, postponed for the present. When we are in possession of definite information, honorable members can express a better opinion, although no expression of opinion can bind the Government with regard to the business which they consider necessary to submit to Parliament. The question as to how that business will be dealt with rests, of course, with honorable members. A certain programme has been laid down, and it will be our duty to proceed with it.

Mr. DUGALD THOMSON.—It will be impossible to deal with the whole of the Government programme.

Mr. DEAKIN.—Time will show. If the whole of the questions on the Government programme cannot be completely disposed of, they may be dealt with in such a manner as to meet the needs

of the present time. Subject to that consideration, I think that all parties agree that as soon as the electoral arrangements permit, and the business which it is our duty to discharge has been dealt with, we should take the first opportunity of consulting the electors. If no one is authorized to act on behalf of the honorable member for Echuca, who is absent from the chamber, I should like the debate to be adjourned.

Debate (on motion by Mr. KNOX) adjourned.

SUPPLY (Formal).

COMMERCE ACT REGULATIONS: BUTTER GRADING: VICTORIAN BUTTER COMMISSION'S REPORT: PUNISHMENT OF OFFENDERS: P. & O. S. N. COY. DEFENCE — MILITARY PROMOTIONS: INSPECTOR-GENERAL OF COMMONWEALTH FORCES: COLONEL HOAD: COUNCIL OF DEFENCE: IMPERIAL DEFENCE COMMITTEE'S REPORT: ROYAL AUSTRALIAN ARTILLERY: FIELD ARTILLERY: PORTLAND AND WARRNAMBOOL BATTERIES: LIGHT HORSE CORPS: CADETS: RIFLE CLUBS: RIFLE RANGES AND AMMUNITION. POSTAL ADMINISTRATION: OVERTIME: POSTAGE OF POLITICAL PUBLICATION: TELEGRAPH POLES: MINIMUM WAGE: POSTAL ASSISTANTS: DELAYS IN TRANSMISSION OF LETTERS AND TELEGRAMS: POSTAL NOTE REGULATION: MAIL SERVICES: PAYMENT TO CONTRACTORS: OVERSEA MAIL CONTRACT: TELEPHONE CHARGES AND REQUIREMENTS. NORTHERN TERRITORY. NATIONALIZATION OF INDUSTRIES. COMMISSION APPOINTMENTS. SALE OF OPIUM. KANAKA DEPORTATION. HIGH COURT BENCH. APPEALS TO PRIVY COUNCIL. TRADE MARKS ACT REGULATIONS.

Question — That Mr. Speaker do now leave the chair, and that the House resolve itself into Committee of Supply—proposed.

Mr. JOSEPH COOK (Parramatta) [2.55].—There are one or two matters which I desire to bring under the notice of the Acting Postmaster-General. A few days ago I asked the Minister some questions concerning what I regarded as a case of sweating in the General Post Office, Sydney, and he promised to make some inquiries. I have heard nothing about the matter since, and I should like to know whether he has yet received any report, and,

if so, what action he proposes to take with reference to the minute issued by the central administration requiring some of the employes in the Post Office, Sydney, to work until 9 or 10 p.m. before they would be permitted to enjoy the great luxury of tea money.

Mr. EWING.—I gave instructions to the Secretary to the Post and Telegraph Department to make full inquiries, and I have not yet received a reply.

Mr. JOSEPH COOK.—I also wish to refer to the general question of overtime, particularly as it relates to one of the branches of the Sydney Post Office. The Minister, a day or two ago, furnished me with a reply which was not at all satisfactory. It indicated that nothing unusual was taking place, but I take leave to say that something is radically wrong when men are brought back to work four nights a week, and are allowed nothing for overtime, although they are sent into branches of the service other than those in which they are usually employed, in order to bring up work that has fallen in arrear.

Mr. WATKINS.—To what branch does the honorable member refer?

Mr. JOSEPH COOK.—The money-order branch. I understand that in one of the sub-branches the work has fallen very greatly into arrear owing to lack of assistance, and that the authorities are actually compelling men in other branches, after having discharged their own duties, to work in the money-order branch until 9 or 10 o'clock at night, without giving them any consideration except tea money. The authorities argue, very broadly and very sweetly, that the whole Department is one, and that if the work in one branch falls into arrear officers in other branches must give their assistance in bringing it up-to-date.

Mr. MAHON.—Would the honorable member introduce outsiders to do the work?

Mr. JOSEPH COOK.—I do not know. I am not aware whether that is required. I would, however, pay those who have to do the work. What I am complaining of is that officers who have brought their own work up-to-date are sent into an entirely different branch to help in wiping off arrears.

Mr. WATKINS.—In other words, they are being punished for the industry they have displayed in their own Department.

Mr. JOSEPH COOK. — Apparently, and they are being shown no consideration in the shape of overtime. I understand that these men have endeavoured to have their case laid before the authorities, but have not succeeded. Socialistic control is all very well until it is put into practice. These men have been quite unable to get past their intermediate officers.

Mr. MAHON.—They have evidently managed to reach the honorable member.

Mr. JOSEPH COOK.—Why not?

Mr. MAHON.—They are quite entitled to go to the honorable member.

Mr. JOSEPH COOK.—I remember that they used to go to the honorable member at one time, but lately he has been dumb about postal matters.

Mr. MAHON.—Oh, no; I have two or three matters to bring forward.

Mr. JOSEPH COOK.—I unfortunately find that I have to come here with these grievances. No one used to be more industrious than the honorable member with regard to Western Australian postal complaints, and why he should be chirping at me because I am ventilating a grievance I do not know. Perhaps he resents my interference in a matter of justice. Perhaps he thinks he should have a monopoly in that respect.

Mr. MAHON.—I admit that it is something new.

Mr. JOSEPH COOK.—The honorable member need admit nothing of the kind, for he knows better. I am just as much against sweating and unjust conditions as he is, and I know of no honorable member on this side of the House who is not. Something ought to be done so that these employés of the Government may either be permitted to go home when their own work is finished, or, if they are called upon to do extra work, and have to come back at night to do it, they ought in common honesty to be paid for it. Above all, I ask that these men should be allowed to put their case before the final tribunal; and that at present it appears to be impossible for them to do. All that I can get from the Minister is what the central officials tell him, that there is nothing unusual in what is being done. If it is not unusual it is very reprehensible, and ought not to be permitted to obtain for one moment longer under any Government. If it is usual the whole matter requires investigation from top to bottom. The honorable member for Illawarra has referred to a

question which he addressed to the Minister of Trade and Customs some time ago, with reference to butter grading. The Minister has promised that the regulations will be published to-morrow. But he does not say what the nature of those regulations will be. About a week ago he published in one of the daily newspapers a statement purporting to give the regulations which were to be gazetted at an early date. He tells us to-day that those regulations are to be gazetted at once, but he does not tell us whether they are the same regulations. If they are, they seem to me to be an impossible set of regulations. I do not see, and the least authorities from whom I have made inquiries agree with me, how the butter business is to be conducted satisfactorily under them. The honorable member for Cowper knows a great deal more about this matter than I do, and I believe that he will later on address some observations to the House upon it. But it is supremely important that the Minister should do nothing to hinder a successful co-operative enterprise, which is already taking the butter from New South Wales, and placing it satisfactorily and remuneratively on the London market. The Minister should be careful how he interposes regulations which may prevent these people from carrying on their business in the profitable and satisfactory way in which they are now doing it. They are on tenter hooks, so to speak. They do not know what the Minister is contemplating in regard to them. They do know that Ministers have made a series of contradictory statements concerning the whole question of grading. We have been told by the Attorney-General and by the Minister of Trade and Customs that no such thing as the grading of qualities was intended. If that be so, why cannot the Minister say now that qualities are not to be graded, and branded upon the butter boxes. All this attention from the Minister will, I am told, count for very little when the butter gets to London, because all that will require to be done there is what I understand is done now in some cases, simply to remove the brands from the boxes, and to sell the butter without them. That seems to be a very simple way of circumventing regulations of this kind. One wonders at the credulity of people in Government action, which may be, and probably is, in some cases, easily manipulated. We all remember another attempt which the Minister made under the Com-

merce Act, to regulate the quality of food-stuffs made in Australia. He has charge of them, it is true, at the time of arrival. But after they have left his hands, any adulterator could take away these food-stuffs, and serve them up to the people who use them in any way he cared to do. And so it may be with other products, such as butter and cheese. The brands may be removed, and the purchasers may imprint their own brands in their stead. The Minister has no charge over butter when it leaves this country. Before it gets into the hands of the consumers, the brands may be removed from both inside and outside the boxes. What I think the Minister ought to do—and it is all the case requires, it seems to me—is to certify, if he cares to do so, that the butter is of a certain standard, that it is pure, that it is not some other product masquerading under the name of butter, that it is not a deleterious compound. No one wants goods to be exported which are a cheat and a fraud upon the public. What is complained of in connexion with the proposed grading and branding is that the Government, in the first place, is not competent to do it accurately. Indeed, it is questionable whether the Government can possibly do it accurately at this end, because butter may change its nature and its flavour on the voyage to the market. We seem to be living in a time when the Government is controlling all the industrial operations of the country, and submitting the whole of the industrial occupations of the people to every kind of new regulative experience; and so it seems that the Government must take a hand in regard to butter, which is not for our own consumption, but is intended for export. Of course, we are familiar with the argument which is usually put forward in support of this policy, that this kind of thing has been done with advantage in other parts of the world. The instance of New Zealand is quoted. It is said that the quality of the butter from that country has improved because of the branding and grading. The facts, on investigation, prove that such is not the case; for, while New Zealand butter is very good, and while it is true that it is branded, yet New Zealand mutton is also better than most mutton that goes Home, and that is not branded, and is not examined, perhaps, except as to its wholesomeness. Nevertheless, New Zealand mutton has just the same prominence as New Zea-

land butter, for the simple reason that the natural conditions of the country favour the production of the best possible quality; and it only requires ordinary care and attention to secure that the best product shall be put upon the market. What is asked here is that the system which has worked satisfactorily throughout the State of New South Wales shall at any rate be allowed to continue, and that the Government shall not arbitrarily step in and take the control of this butter industry, as to its quality, out of the hands of those who are best able to manage it. I remember a case some time ago, of which I was reminded to-day, by seeing that two shipments of fruit sent from Victoria turned out to be failures. When I first went to the Agricultural Department of New South Wales, I found that arrangements had been made for shipping oranges to London from Sydney. I found that the Government undertook to bear the cost of shipping the oranges Home, the growers undertaking to provide the fruit. It was an experimental shipment. What happened was this. Instead of the Government going to some experienced grower, to pick the oranges that were to be carried to London, the Government inspector insisted upon picking them himself. I know of one orchard in particular to which he went. The owner of the orchard was also interested in the shipment of oranges. I think he lost about £150 over it. He told me that he had selected some oranges which he considered were best fitted to be exported. But the Government inspector chose a totally different orange, and one, as it turned out, that did not carry to London at all. How is it possible for a Government inspector to teach a man who is at this business every day of his life, which product is of the best quality? Yet that is what we are going to do in connexion with butter by setting up all these regulations. If the Government were necessarily perfect in its capacity to judge these things, one would not say much about it. One would be glad indeed that the Government brand should be used. But that cannot be said. All the experience that we have had goes to show that Government officials are ordinary human individuals, possessed of ordinary every-day judgment, and not expert beyond others in the business. Certainly they have not had the same length of experience and knowledge

as is possessed by those who are actively interested in the industries concerned, and whose livelihood depends upon their success. There cannot be the same minute and intimate knowledge of the qualities of products inherent in any Government Department, however well organized, as is possessed by the great bulk of the people who market these things for themselves, and who depend upon their sale. Therefore, the argument on the part of these producers is that the Government should content itself with conserving the purity of the goods exported, and that the classification may more properly be left to the individuals who send the butter Home, and have to take the consequences whether good or bad. That seems to me to be a very fair ground to take. The Government may have the right, broadly and mainly, on grounds of health, to take care of the purity of the products of the country. I do not deny that. But what is objected to is that the Government should so interfere in the ordinary operations of trade as to seem to dictate to people as to the quality of the products they produce, and as to which they have had a life-long experience. To compel a man to put upon boxes of butter a brand which he who has produced the article, and knows most about it, will himself declare not to be a true gauge of its quality at all, is absurd. I think the Minister might very well content himself with taking up the attitude that he did when the Act was going through Parliament. Over and over again the Attorney-General and the Minister of Trade and Customs declared that the Bill was intended not to grade qualities at all, and yet, according to the forecast of the regulations published the other day—and I assume that it is pretty accurate—that is exactly what the Minister now is arrogating to himself the power to do. It may be that he has the power under the Act, but I urge him in the interests of those who are most deeply concerned not to push this matter of interference too far, but to allow them to look after their own product, to grade it and to mark it for what it is and what it is worth; he, on the other hand, taking care that the qualities which they brand subscribe to a given standard of purity. When that is done, the least he might do is to leave the rest to private enterprise, and to those concerned.

Sir WILLIAM LYNE.—To do what?

Mr. Joseph Cook.

Mr. JOSEPH COOK. — I have been urging that the Government should not exceed the function of setting up a standard as to the purity of the export, and should leave the exporter to look after the quality of the article and the marking of it.

Sir WILLIAM LYNE. — The honorable member would recommend that the Government stamp be put upon their marking?

Mr. JOSEPH COOK.—I do not wish the honorable member to put the Government stamp upon the article at all, except as to its purity if he wishes.

Sir WILLIAM LYNE. — The honorable member may be quite sure that the Government are going to do so.

Mr. JOSEPH COOK. — That is the whole complaint. It is impossible, of course, to get the honorable gentleman to open his mind to anything which is said from this side. He seems to regard it as his first Ministerial duty to shut his mind entirely to anything which may be said to him except on his own particular side of the Chamber. He is peculiar in that respect.

Sir WILLIAM LYNE.—Oh, no.

Mr. JOSEPH COOK.—The honorable gentleman gets through with his proposal, but I venture to say that very often he gets through with it to the detriment of the people of Australia. Here is another instance of it: When we put a proposition to him to-day, all we can get out of him is, "You may be quite sure that I will not listen to anything of the kind." All I know is that I am speaking now for hundreds of men who have devoted their lifetime to this industry, and whose livelihood depends upon it. I think that they are entitled to have their views put before the Minister by those who represent them here. If this is the only answer that they can get from him, I venture to think that it is treating them with scant courtesy, because what is discourteous to their representatives here can only be regarded as direct discourtesy to them also, as we are only their mouth-pieces here. The point which I put now, and which the Minister sweeps aside in a peremptory way, is just the point which he insisted that he would respect when the Bill was going through the Chamber. The Attorney-General said it was not intended to grade qualities. The Minister followed his honorable and learned colleague, and, after specifying the grades as 1, 2, 3, and 4, he said, "We are going

to do nothing of the kind." But when we ask him to carry out the statement which he made to the House and upon the faith of which he got the Bill put through, he says that we can make up our mind that he is not going to keep his word.

Sir WILLIAM LYNE. — The honorable member is misquoting me altogether.

Mr. JOSEPH COOK.—No.

Sir WILLIAM LYNE.—The honorable member is misquoting what I interjected just now. I said that we were going to put the Government brand upon these exports. That was all I said. I have already said that the word "grading" is never used in any respect in the regulations.

Mr. JOSEPH COOK.—I know that, but what is the difference?

Sir WILLIAM LYNE.—I propose to carry out what was recommended by the conference in Sydney, and what was recommended by the very gentlemen whom the honorable member is supporting here, and that is to deal with the matter in a certificate.

Mr. JOSEPH COOK.—As to quality?

Sir WILLIAM LYNE.—Yes; it will not be branded upon the box.

Mr. JOSEPH COOK.—That is an answer, but why could not the honorable gentleman say that before?

Mr. KENNEDY.—The honorable member has been chasing a shadow again?

Mr. JOSEPH COOK.—There is no shadow. The Minister said that I could make up my mind that the Government were going to put their brand upon the box; but in what way is it to be done?

Sir WILLIAM LYNE.—We are not going to put 1, 2, and 3 upon the box.

Mr. JOSEPH COOK.—That is the whole point I have been putting.

Sir WILLIAM LYNE.—I hope the honorable member is satisfied.

Mr. JOSEPH COOK.—Why does not the Minister be a little frank? We try to treat him frankly and fairly.

Sir WILLIAM LYNE.—This is the first time I have said it publicly. I was going to let the regulations speak for themselves, but as the honorable member was so anxious, I have stated what it is proposed to do.

Mr. JOSEPH COOK.—What made me anxious was the appearance of the regulations in the newspapers. I am glad to hear now that the Minister has modified the regulations as first published.

Sir WILLIAM LYNE.—I am always most reasonable.

Mr. JOSEPH COOK.—Not as a rule; it takes a lot to get the honorable member to that point of reasonableness. However, I shall be very glad if now we have got him to that point with regard to the export of butter. I desire to refer to the Royal Commissions which are reporting on various matters to the Government, and particularly to a statement in the press this morning concerning the Shipping Commission. I make the reference, first, for the purpose of pointing out the difference in the methods adopted by some of the Royal Commissions. Take, for instance, the Tariff Commission. When we want a little information here about their procedure it cannot be obtained unless the Chairman can be got to come here, and when a special question is addressed to him, he can only speak with authority concerning a matter of pure formality as to their proceedings. When I opened my newspaper this morning, I found that the Chairman of the Shipping Commission had stated that a report has been circulated among its members. He tells us the finding which he thinks will be adopted before the presentation of the report to the Governor-General. He tells us, in fact, that an agreement has been reached by the Socialists composing the Royal Commission.

Mr. MAHON.—Who are they?

Mr. JOSEPH COOK.—The honorable member, for instance, is one of them.

Mr. MAHON.—Yes, but who are the others?

Mr. JOSEPH COOK.—The Chairman—all the names are given in the newspapers this morning.

Mr. MAHON.—Is the honorable member for Riverina a Socialist?

Mr. JOSEPH COOK.—No; I was going to say that the recognised Socialists of the Chamber, *plus* two other members who always vote with them, and whom the honorable member can put in the classification if he thinks proper—

Mr. MAHON.—The honorable member ought to have put it right in the beginning.

Mr. JOSEPH COOK.—I think that is the proper way to put it. There are professed Socialists; the others who vote Socialism every time.

Mr. HUTCHISON.—And the honorable member is sorry that they have not reported in an anti-socialistic fashion.

Mr. JOSEPH COOK.—No; and that is not my point just now. I am pointing out that evidently these honorable members have agreed to recommend the nationalization of the shipping industry, as far as the carriage of mails is concerned. Anybody could tell from the composition of the Royal Commission how they would report. It was a foregone conclusion. The chairman declared here that he only wanted the Select Committee appointed in order to try to make out a case for nationalizing the shipping industry.

Mr. SPENCE.—Does not the honorable member think that the Labour Party can be honest?

Mr. JOSEPH COOK.—Who is impugning their honesty?

Mr. SPENCE.—The honorable member said that it was a foregone conclusion.

Mr. JOSEPH COOK.—I am judging the honorable member for Barrier out of his own mouth. He said that he only wanted a Select Committee appointed in order to see if he could make out a case for nationalization, and that unless he could do that he would not trouble about an inquiry.

Mr. HUTCHISON.—But the chairman could not influence the report against the other members.

Mr. JOSEPH COOK.—No; but I raised an objection to the appointment of the Committee at the time, and so did other honorable members. After the declaration of the chairman as to his socialistic purpose we protested against the composition of the Committee.

Mr. MAHON.—I rise to a point of order. I ask you, sir, whether the honorable member is in order in discussing the report of a Royal Commission which is not yet in the hands of the Government, and which will be discussed here later on, or in referring to the terms of the Royal Commission when in ignorance of its real purport. I submit, sir, that he is not in order in anticipating that discussion.

Mr. SPEAKER.—In the Standing Orders there is nothing to prevent discussion up to that point when a motion to adopt the report of the Royal Commission has been placed upon the notice-paper. That would, of course, preclude any reference to the subject-matter of the report, but until that stage is reached there is no reason why it should not be debated in the way in which the honorable member for Parramatta is doing.

Mr. JOSEPH COOK.—The honorable member for Coolgardie does not appear to be aware of the fact that this is grievance day. He sits there like a Rip Van Winkle, and does not appear to be aware of what is going on in these modern days.

Sir WILLIAM LYNE.—But what is the honorable member grieved about now?

Mr. JOSEPH COOK.—I am grieved at the waste of public money in the investigation of proposals which cannot be carried out. I hope that that is a fair matter for complaint. We are told by the Prime Minister, the honorable and learned member for Northern Melbourne, and the leader of the Labour Party, that there is no power in the Constitution to nationalize these industries. It is one of the complaints to-day of the leader of the Labour Party that he cannot get the Prime Minister to say whether he will help them to get the power to nationalize one or two of these monopolies.

Mr. MAHON.—Did the Prime Minister ever say that the Commonwealth could not carry its own mails?

Mr. JOSEPH COOK.—He has said that there is no power in the Constitution to nationalize this industrial enterprise.

Mr. MAHON.—Did he ever say that we could not carry our own mails, and make provision for doing so?

Mr. JOSEPH COOK.—The honorable member had better ask him.

Mr. SPENCE.—The leader of the Labour Party has not made the statement which the honorable member is attributing to him.

Mr. JOSEPH COOK.—The leader of the Labour Party did, at Crow's Nest, as I quoted the other night.

Sir WILLIAM LYNE.—I remember he said that the honorable member did not quote it all.

Mr. SPENCE.—The honorable member is dependent upon newspaper reports for all his statements.

Mr. JOSEPH COOK.—Yes, and it appears that I cannot now rely upon the *Worker*. According to the leader of the Labour Party, even the *Worker* cribs its reports from the capitalistic press. I believe that the honorable member is chairman of the board of management of the *Worker*, and heard the statement of his leader that they do not get reports of their own, and pay for them as they should do, but get them from the capitalistic press for "nix." The honorable member ought to look into that matter. In his speech at North

Sydney the other night, the honorable member for Bland challenged the Prime Minister to say what he was going to do about the land tax, and, moreover, he referred to the Prime Minister's statement that we had not the constitutional power to nationalize these industries. Here is the quotation I made the other night, and which I suppose I had better give, because it seems to be quite a rule with honorable members belonging to a certain party now to dispute or deny anything which is quoted.

Mr. SPENCE.—But what the honorable member is about to quote is only a newspaper report.

Mr. JOSEPH COOK.—If there is a conspiracy in the press to misreport them, I cannot help it. But it is a great pity that they do not correct the reports which so misrepresent them upon these vital matters.

Sir WILLIAM LYNE.—If I were to do that I could do nothing else.

Mr. JOSEPH COOK.—At any rate, here is the statement, and I do not know yet that it has been repudiated by the leader of the Labour Party. If the honorable gentleman wishes to repudiate this again I have no more to say. Speaking at Crow's Nest, he said—

Mr. Deakin's programme at present was in a state of transition, if, indeed, it existed at all. That being so, the Labour Party had a right to be informed as to Mr. Deakin's intentions before it entered into any agreement. The party had had no clear statement on this matter from Mr. Deakin. Mr. Deakin had declared that the question of Socialism was one for the States, and that before the Federal Parliament could deal with it there would have to be an alteration in the Constitution. Under those circumstances it was fair to ask Mr. Deakin whether he would alter the Constitution in order to make it possible to nationalize one or more existing monopolies.

Is that clear enough for the honorable member?

Mr. SPENCE.—It is not Mr. Watson's statement that it could not be done under the Constitution.

Mr. JOSEPH COOK.—That is the statement of the honorable member for Bland. It is one that was quoted the other day in the House, and the honorable gentleman did not deny it. I may fairly take it to be his view, in the absence of any denial to the contrary. Would the honorable member for Darling be prepared to repudiate that book, which he wrote a little while ago, containing his ideas and definitions of Socialism? Now that the

official organ of the party has repudiated the honorable member's praiseworthy method of communicating through its pages, perhaps he will repudiate his own book next? In the meantime, I must try and interpret the views of these honorable members. I wish to do them no injustice in this matter. All that I am doing, and it seems to be the cause of the whole trouble, is to try to quote what they say. The moment one begins to quote them it appears as though one insulted them. I do not know why they should get up in protest in this way.

Mr. MAHON.—I quoted some of the honorable member's letters some time ago that did not seem to please him.

Mr. JOSEPH COOK.—Not at all.

Mr. MAHON.—I quoted some declarations the honorable gentleman had made.

Mr. JOSEPH COOK.—The honorable gentleman may quote what he pleases about me. So long as there is no misrepresentation, I think that honorable members should be glad rather than otherwise that I am helping them to propagate their views in the same way that they do themselves. When the present Prime Minister was Attorney-General he declared in a reasoned judgment that there was no power in the Constitution to nationalize these industries. "Well," says the Labour Party, "you must have the Constitution altered." What I complain of is that the Government should set up these socialistic Commissions, knowing beforehand how they are going to report, not from any corrupt motive, but knowing that they are setting out to make a case for Socialism. I say that when you set out to make a case for anything you can go a long way towards finding the means to do it. I heard a man say the other night that those who lived on grievances acquired finally the happy knack of manufacturing them. So when you set out to make a case for Socialism you go a long way along the track towards finding the means with which to do it. Accordingly, as was predicted when this Commission began its inquiry, it has reported in favour of nationalizing the mail services to and from Australia. I say again, and I do them no injustice that I know of, when I make the statement, that it was a foregone conclusion as to what the nature and character of their report would be. That was our whole complaint at the time the constitution of the Select Committee was debated here. We objected to its

personnel. I was at first in favour of the appointment of that Committee, but when I heard from the mouth of the leader of the Labour Party that they were only going to pursue their inquiry in order to make a case for Socialism, the matter assumed a very different aspect. While ordinarily a Royal Commission reports first of all to the Governor-General, it seems that the Chairman of the Shipping Commission reports first to the public newspapers, and we read this morning that the Commission have arrived at a report recommending a scheme for nationalization, and that that report will be signed so soon as word can be received from the only two members of the Commission who do not favour this proposal of nationalization.

Mr. SPENCE.—The honorable member seems to know more than do the members of the Commission. I am a member of the Commission, and I do not know that the members referred to are not in favour of the proposal.

Mr. JOSEPH COOK.—I am telling the honorable member—

Mr. SPENCE.—I do not know that the two members the honorable member speaks of are not in favour of the proposal.

Mr. JOSEPH COOK.—I did not say so. I say it is reported that the report has been sent on to them for consideration, and as soon as they reported either for or against it, the report would be submitted to the Governor-General.

Mr. TUDOR.—The honorable member stated that this report was sent on to the only two members who were opposed to this proposal.

Mr. JOSEPH COOK.—There is some misunderstanding. What I said was, that information had been given to the newspapers, and that the statement was there made that it would be signed and forwarded to the Governor-General when word was received from the only two members on the Commission who are not Socialists.

Mr. LONSDALE.—It is also said that they might furnish a minority report.

Mr. SPENCE.—That has never been sent to the newspapers.

Mr. JOSEPH COOK.—It is in the newspapers.

Mr. SPENCE. — Honorable members should not rely upon the newspapers.

Mr. JOSEPH COOK.—Does the honorable member for Darling deny the accuracy of the newspaper report to which I refer? However, I am not on that point particularly, except that I think that

it is worth mentioning that a grave departure in the methods of these Commissions has been set up in connexion with this matter. What I am concerned about now is to ask the Government, now that they have set up all these socialistic Commissions, what they propose to do about them? The Prime Minister has instituted a Commission for the purpose of inquiring into the nationalization of the shipping industry.

Mr. DEAKIN.—No.

Mr. JOSEPH COOK.—Yes. I know what the honorable and learned gentleman is attempting to quibble about, but it is only a quibble.

Mr. DEAKIN.—No.

Mr. JOSEPH COOK. — The Prime Minister was told by the Chairman of the Commission that he did not want the Select Committee in the first instance unless for the purpose of inquiring into the possibility of a nationalization scheme.

Mr. DEAKIN.—He said that that was one of the things he intended to inquire into.

Mr. JOSEPH COOK.—He said that was the main reason, and that he did not want the Committee except for that. The honorable and learned gentleman will find that in *Hansard*. Then there is the Tobacco Commission. It has also recommended a scheme of nationalization. I say that the Prime Minister has a right to explain why he has gone to all this expense and trouble in the setting up of these socialistic Commissions.

Mr. DEAKIN.—Does the honorable member think that his statement about the Tobacco Commission is a fair one? He knows that the members of it completed all their work, except for one sitting and the report, as a Select Committee, and that in accordance with the usual custom, the Select Committee was made a Royal Commission in order that it might complete its work; it cost nothing, and took practically no evidence afterwards.

Mr. JOSEPH COOK.—Even so, there is all the difference in the world between the appointment of a Select Committee of either House of Parliament, and the constitution of a Royal Commission by the Governor-General.

Mr. DEAKIN.—It was done simply in order that the Select Committee might be able to send in its report.

Mr. JOSEPH COOK.—Here is the Shipping Commission, which now reports in favour of nationalization. They said beforehand that they were going to see if

they could make out a case for it. It is in *Hansard*. If the Government spend public money in this way for the purpose of ventilating socialistic schemes, it is only fair to ask what responsibility they propose to assume with regard to the whole question. If they do not believe that we have any constitutional power to nationalize these industries it is a criminal waste of public money to set these Commissions going. We might as well throw the money away as set up a Commission on a question which the Prime Minister knows, as a result of a reasoned judgment, can have no effect. I say again that it is a very remarkable thing, and I am glad to be able to make the statement in the presence of the Chairman of the Shipping Commission, that the newspapers should have been given the finding of that Commission before it was sent on to the Governor-General.

Mr. THOMAS.—Who gave it to them?

Mr. JOSEPH COOK.—I do not know. It is in the newspapers.

Mr. THOMAS.—I understand that the honorable member said that I gave it to them?

Mr. JOSEPH COOK.—No, I do not think I said that.

Mr. TUDOR.—The honorable member for New England stated it.

Mr. LONSDALE.—Yes, I said it. Where did the newspapers get it from?

Mr. JOSEPH COOK.—What I said was, and what I say now is that it is a very remarkable thing that we should find the report of that Commission in the public newspapers before it has been presented to the Governor-General.

Mr. LONSDALE.—They must have got it from one of the Commissioners.

Mr. JOSEPH COOK.—We have all the names, details, and everything concerning the finding published this morning. It ought to be explained. I think it is not the rule of Royal Commissions to make their proceedings known in the public press before their report is sent on to the Governor-General, and presented to Parliament.

Mr. TUDOR.—I suppose the information was telegraphed from Sydney from one of the honorable member's crowd.

Mr. JOSEPH COOK.—I do not know. It is equally wrong wherever it came from.

Mr. LONSDALE.—How would our crowd get to know it?

Mr. JOSEPH COOK.—It is equally wrong wherever it comes from, but the

honorable member for Yarra might as well make that accusation as any other. He does not know anything about it.

Mr. TUDOR.—I know as much about it as does the honorable member for Parramatta.

Mr. JOSEPH COOK.—I am quite sure the honorable member could not know that, but it was good enough to make the accusation; it does not matter what it is, so long as it is an accusation.

Mr. THOMAS.—Still, I understand that the honorable member for Parramatta has been making accusations all along.

Mr. JOSEPH COOK.—I cannot help what the honorable member understands. I stated the facts about the matter, and, with the permission of Mr. Speaker, I will state them again for the honorable member. They are, first, that the honorable member declared from his place in the House, when the Select Committee was being appointed, that he wanted it for the purpose of inquiring into the feasibility of nationalizing the industry.

Mr. THOMAS.—Decidedly.

Mr. JOSEPH COOK.—Is that a fair accusation, or is it an unfair one?

Mr. THOMAS.—Not that; but I understand the honorable member has been accusing some one of giving information to the newspapers.

Mr. JOSEPH COOK.—I am complaining of that having been done.

Mr. THOMAS.—How does the honorable member know that what is in the newspapers is correct?

Mr. JOSEPH COOK.—I ask the honorable member, when he puts that view to me, if he denies its correctness?

Mr. THOMAS.—I see, that is the idea.

Mr. JOSEPH COOK.—I presume that he does.

Mr. SPENCE.—The honorable member charged the chairman of the Commission distinctly with giving the information to the press. He did so in his speech several times.

Mr. JOSEPH COOK.—I did?

Mr. SPENCE.—Yes, several times.

Mr. JOSEPH COOK.—I do not think the honorable member will find that that is so.

Mr. THOMAS.—So long as the honorable member does not accuse us of giving something to the newspapers which we ought not to give them, it is all right.

Mr. JOSEPH COOK.—I say that it is peculiar to find it in the press this morning with the alleged finding.

Mr. SPENCE.—Supplied by the chairman?

Mr. JOSEPH COOK.—With the names of those who subscribed to it.

Mr. THOMAS.—Did the honorable member say that the chairman of the Commission gave that information?

Mr. JOSEPH COOK.—I do not know who did it. I should like the honorable member to say.

Mr. SPENCE.—The honorable member said that the chairman of the Commission gave it.

Mr. THOMAS.—I have not the slightest idea whether any such information was given to the press or not.

Mr. JOSEPH COOK.—The honorable member saw the report this morning, I presume.

Mr. THOMAS.—I saw some of it.

Mr. JOSEPH COOK.—I fancy that the chairman of a Commission of that kind should make some inquiry, if it were a true report, as to how it had leaked out. However, that was not my main point. I protest against the waste of public money on Royal Commissions, when the Prime Minister has declared we have no power to give effect to their reports. It is time enough to inquire into these matters when we know that we have power to carry into effect recommendations which may be made. The Prime Minister may say that he is not a Socialist; but this is the kind of socialistic work he is doing. The Prime Minister is using public funds for the purpose of prosecuting socialistic projects.

Mr. DEAKIN.—To get information and knowledge.

Mr. JOSEPH COOK.—To get knowledge with the expressed intention beforehand to use it in a particular direction. The Prime Minister has no right, in view of the judgment he gave as Attorney-General, to dip his hands into the Treasury for the purpose of a socialistic inquiry of this description. The honorable gentleman may say he is not a Socialist until he is black in the face, but the kind of work he is doing is Socialism. The name does not matter—it is the thing that is important. I have no quarrel with the chairman of this Royal Commission.

Mr. THOMAS.—The honorable member has accused the chairman of that Commission of giving some information to the

newspapers. If the honorable member says he did not make that accusation, I shall accept his statement.

Mr. JOSEPH COOK.—All I can say at the moment is that I do not recollect saying it in that way.

Mr. THOMAS.—I accept the honorable member's word.

Mr. JOSEPH COOK.—If I did say so, I withdraw it at once. I am alleging nothing wrong; but I do say it is peculiar that the report of the Commission, with all these details, should have been published before its presentation to the Governor-General.

Mr. PAGE.—In what newspaper does the report appear?

Mr. JOSEPH COOK.—In either the Melbourne *Argus* or the Melbourne *Age* of this morning. It is stated in the newspaper that the Commission have arrived at a decision to recommend the nationalization of the shipping industry, so far as the carriage of mails is concerned, and that the cost of this nationalization will be about £3,000,000. The newspaper goes on to give the names of those members of the Commission who have signed the report, and of others who are going to sign it as soon as word is received from Messrs. Smith and Gibb, to whom a copy of the report has been forwarded at Sydney. The newspaper account even says that the chairman of the Commission telegraphed to those latter gentlemen last night.

Mr. THOMAS.—I myself gave the information to the newspaper that I had telegraphed to those gentlemen.

Mr. JOSEPH COOK.—Then some of the information came from the chairman of the Commission, and I suppose that the rest was obtained somewhere else.

Mr. THOMAS.—I gave the information to the press that six members of the Commission had signed the report.

Mr. JOSEPH COOK.—I know that the honorable member is sincere in his desire to nationalize this industry, and no one can have any quarrel with him on that account. The honorable member declares that he would alter the Constitution so as to give the power to carry out this nationalization; and the inquiry has been conducted with a view to that end. What I complain of is that the Prime Minister, who ostensibly does not believe in that kind of thing, and who, as Attorney-General, declared that we have no power to nationalize the industry, should spend public money in the prosecution of those objects.

The following is the statement which appeared in the Melbourne *Argus* of this morning, and it is very circumstantial:—

At a meeting of the Shipping Commission held yesterday, a report embodying the recommendations of the majority was adopted. It is signed by the chairman (Mr. Thomas), and Messrs. Spence (N.S.W.), M'Donald (Q.), Chanter (N.S.W.), Storrer (T.), and Mahon (W.A.), who were present at yesterday's meeting.

Mr. SPENCE.—It has not been signed.

Mr. JOSEPH COOK.—The statement proceeds—

Messrs. Gibb (V.) and Sydney Smith (N.S.W.) have not yet seen the report. They are both in Sydney, and a few days ago copies of the recommendations in skeleton form were sent to them by post. Last night Mr. Thomas telegraphed to them, asking if they would sign the report. If they reply that they are willing to sign, the report will be presented to the Governor-General to-day.

Mr. THOMAS.—I gave that information to the newspaper.

Mr. JOSEPH COOK.—The report continues—

If not, an opportunity will be given to them to express their dissent, either by rider or in a separate report.

The report recommends the establishment of a Commonwealth national fleet of eight steamers for the carriage of mails to England.

Mr. THOMAS.—No one got that information from me.

Mr. MAHON.—That came by telegram, I think, from Sydney.

Mr. JOSEPH COOK.—Let the honorable member for Coolgardie make another guess or another allegation or two—it is quite easy to say things.

Mr. MAHON.—My allegations are quite as good as those of the honorable member.

Mr. JOSEPH COOK.—However, I am only pointing out the difference between the conduct of this Royal Commission and that of the Tariff Commission, the members of which are so close that we have to pursue them very carefully and persistently in order to get any information as to their proceedings. But all this is immaterial. The main question is what the Government are going to do about the report, after spending money in the investigation, in view of the fact that they know beforehand the object in view. Is this money to be purely wasted? I do not know what the cost of these Commissions has been, but I suspect that in the case of the tobacco project and the shipping project, it runs into some thousands of pounds. Before money is wasted in this way, the Government ought to have some clearly-defined

intention to do something with the reports when presented; they ought to have an idea that the reports will be of use to them in some legislation which they contemplate. That is the only object, so far as I know, of inquiries of the kind.

Mr. THOMAS.—Let us hope that that will be the result.

Mr. JOSEPH COOK.—It matters but little what the Prime Minister may say on the public platform, as to whether he is or is not a Socialist, or as to whether or not he favours nationalization; but his actions in this House matter everything. In supreme control of the resources of the Commonwealth, he lends these to socialistic ends and purposes, and helps those who desire to get constitutional power to nationalize industries. That is what I have ventured to call, on the public platforms of the country, working for Socialism; and the Prime Minister will be judged, as we all shall be, by his ultimate actions rather than by his words.

Mr. THOMAS.—The honorable member is an anti-Socialist now. I have been promising myself, for a long while, to look up the honorable member's speeches in the New South Wales Parliament; and I am going to do so one of these cold mornings.

Mr. JOSEPH COOK.—There is another matter to which I should like to call attention. This Government seems to be very free in the way they disburse public funds.

Sir WILLIAM LYNE.—I do not think so; they are the meanest crowd I ever came across.

Mr. JOSEPH COOK.—The Minister of Trade and Customs is quite right: he has had large and spacious notions ever since he entered public life. Years and years ago I heard the honorable gentleman say the same thing to his chief, Sir George Dibbs, in New South Wales, and I remember that they had some very warm words on the question of the expenditure of public money. The present Minister of Trade and Customs kept a Government in power in New South Wales, with a majority of one, for two years, when he was Secretary for Public Works.

Sir WILLIAM LYNE.—For three years.

Mr. JOSEPH COOK.—The honorable gentleman then had the disbursement of £2,000,000 or £3,000,000 a year; and he is quite true to his name and his character. I know no man in Australia who is

more fond of spending public money than is the present Minister of Trade and Customs.

Sir WILLIAM LYNE.—I spend the money on good objects.

Mr. JOSEPH COOK.—I am perfectly certain that the honorable gentleman has an idea that the present Government is mean in the spending of money. The Government do not come up to his level at all; and in this respect he is pretty much the same as one of his late colleagues in the State Parliament, Mr. O'Sullivan.

Sir WILLIAM LYNE.—A good man.

Mr. JOSEPH COOK.—A good man, yes.

Sir WILLIAM LYNE.—One of the best.

Mr. JOSEPH COOK.—But how easy it is to be good when rolling in money, particularly if the money is not one's own. There is nothing easier than to spend other people's money—to leave somebody else to foot the bill.

Sir WILLIAM LYNE.—That is what the honorable member's party always did in New South Wales.

Mr. JOSEPH COOK.—Oh, no; our party did not raise £17,000,000 in loan money in three or four years.

Sir WILLIAM LYNE.—They may not have raised £17,000,000, but they raised a great deal, and then blamed the Government of which I was a member for causing them to do so.

Mr. PAGE. — How these New South Wales fellows love one another!

Mr. JOSEPH COOK.—Who begins this sort of thing? I wanted to prevent the present Minister of Trade and Customs from coming to this Parliament and inoculating the good, innocent people opposite with his New South Wales notions. I know that honorable members opposite all believe in Spartan simplicity in public administration; and my soul is vexed when I find this old economic perverter coming over here and putting his deadly virus into the veins of young innocents.

Sir WILLIAM LYNE.—I did more good with the money I spent than the honorable member ever did with the money he spent as Minister.

Mr. JOSEPH COOK.—The honorable gentleman always had a happy knack of clearing out and leaving some one else to shoulder the responsibility.

Mr. PAGE.—A good idea, too!

Mr. JOSEPH COOK.—At any rate, that is what is said in New South Wales.

Sir WILLIAM LYNE.—Not at all; that is only said by the honorable member and his friends.

Mr. JOSEPH COOK.—All this comes of my not being accustomed to interjections. I have been led off the track of my remarks.

Sir WILLIAM LYNE. — Is the honorable member taking all the afternoon to himself?

Mr. JOSEPH COOK.—No; but I desire to make one or two remarks concerning some very important matters. I wish to refer to the way in which officers of the Public Service are being sent on missions of various kinds at the public expense.

Sir WILLIAM LYNE.—Who are they?

Mr. JOSEPH COOK.—I refer to the officers lately sent to London. If anything could be more idiotic than the way in which the defences of Australia are being administered, I should like to know what it is. If any visitor from an outside country came here, and saw what goes on in connexion with the Defence Forces, he could come to no other conclusion than, either that we were lunatics, or that we had plenty of money which we wanted to waste. After five or six years of Federal control of the Defence Forces, matters seem to be "getting no better very fast," if I am any judge. I hope to soon see something in the nature of efficient control and administration which will justify us in continuing the Defence Department as one to be relied on in the time of peril.

Sir WILLIAM LYNE.—Raise it to the standard of my Department.

Mr. JOSEPH COOK.—I do not know much about the Minister's Department; all I know is that it seems to be a prolific source of irritation to the traders of the country.

Sir WILLIAM LYNE.—Why, the honorable member has not asked me a single question regarding the Department this week!

Mr. JOSEPH COOK.—I never ask questions about that Department.

Sir WILLIAM LYNE.—That is because the Department is so well administered.

Mr. JOSEPH COOK.—I do not mind the honorable member taking that little unction to his soul. But let me refer to the officers who are constantly being despatched to London. What is the position of affairs in connexion with defence? First, we obtained the services of, I believe, a highly competent man from London in the person of General Hutton. That officer propounded a defence scheme, but

when his term expired he was sent Home again. Almost before he could have reached London, we sent a man away with that scheme to have it judged in England by people who are not on the spot, and who may know very little of our local circumstances. After bringing a highly expert man here to formulate a scheme on the spot, we follow in his footsteps to London, in order to have his scheme judged by others thousands of miles away. I understand that Colonel Bridges has been sent Home to obtain the opinion of authorities there on the defence of Australia. Then we sent Home Captain Cresswell.

Mr. KELLY.—Was he sent Home at the invitation of the Home authorities?

Mr. JOSEPH COOK. — We do not know. He was sent Home, I presume, at the public expense, to discuss the advisability of establishing a fleet for the defence of Australia. These two gentlemen were sent Home, notwithstanding that Captain Collins, the secretary of the Defence Department, was in London at the time on a holiday, and could have laid these schemes before the Imperial authorities, because he is supposed to know something about military matters, and a great deal about business matters. After Colonel Bridges and Captain Cresswell had gone to London, Captain Collins came back; but he had hardly set his foot on Australian soil before he was sent again to London, to open a bureau there for the transaction of Australian business. There are six Australian Agents-General in London transacting Australian business; but the Commonwealth, apparently, cannot trust any of them to do its business, and has therefore sent a seventh man, employing a seventh staff, to open a seventh office for the purpose.

Sir WILLIAM LYNE.—We ought to send Home the honorable member as Agent-General.

Mr. JOSEPH COOK.—I am afraid that it is not of much use to speak about these things just now; but it is time that attention was called to them, and our protest put on record. The Minister deals in a light and airy way with objections to the wasting of public money as it is being wasted by the duplication of offices, for the maintenance of which our taxpayers have to pay the piper. We were told that Federation, by providing for one control, would save the expense of Australian representation in London, but, instead of a saving, there has been increased expenditure, because of the duplication which has taken

place. The Government should not have sent Captain Collins to London to open another office until arrangements had been made with the States whereby a saving could be effected in their representation. According to the best information which I possess, it was not necessary to send Home at all, because our work was being done well by the Agents-General of the States. I am afraid that the Commonwealth action in this case is of a piece with its action in other directions. Instead of economizing by concentrating control, we have been increasing expenditure by establishing additional offices. When the Estimates are before us, I shall be anxious to find out what this new London office is costing the Commonwealth. It may have been established preparatory to the appointment of a High Commissioner, but I think that the Commonwealth should not provide for representation in London until arrangements have been made with the Premiers of the States whereby their expenditure there may be minimized. I was surprised to hear the Acting Postmaster-General say that we need not trouble ourselves as to whether the private publication which has been sent through the post in a wrapper on which was printed the letters O.H.M.S. was or was not of a political character. In my opinion, everything depends upon that. If it had been an innocent publication, issued for purely departmental purposes, I could understand the arrangement, but it was a specially prepared political pamphlet.

Mr. FRAZER. — By whom was it prepared?

Mr. JOSEPH COOK.—I do not know. The Minister should inquire into that.

Mr. FRAZER.—Was it connected in any way with the Commonwealth Government?

Mr. JOSEPH COOK.—I do not know. The Minister should try to ascertain who is responsible for it.

Mr. FRAZER.—Has not the responsibility been traced to the Agricultural Department of Victoria?

Mr. JOSEPH COOK.—I do not understand that to be so. I gather that certain publications have received the *imprimatur* of the Agricultural Department of Victoria; but we have not been informed that the Department approved of this pamphlet. Things would be coming to a pretty pass if an Agricultural Department set itself to disseminate political literature, and to use the Post Office to advocate certain political views. That would be worse than what is

done in America, where they adopt without disguise the theory of the "spoils to the victors."

Mr. JOHNSON.—The publication in question was issued in the interests of McKay's harvesters.

Mr. JOSEPH COOK.—The Minister should sift the matter to the bottom, to ascertain who are concerned. I could understand an innocent publication of an agricultural character being allowed to go through the post bearing on its wrapper the words "On His Majesty's Service," but the Post Office should not be used in that way for the dissemination of political views. In the old country, recently—I think in connexion with the late general elections—the House of Commons censured some one who issued an address under the letters "O.H.M.S.," and diligent inquiry should be made to ascertain why a partisan political pamphlet has been allowed to pass through the post here bearing those letters on its wrapper. The matter is a more serious one than the Minister seems to think, and I hope that he will ascertain who has attempted to take advantage of an innocent precedent for personal and political party ends. It is a very different thing from letting an agricultural publication pass through the post under the *imprimatur* of a Department to permit a publication, crammed from cover to cover with electioneering matter in the interests of one of the political parties of the Commonwealth, to do so. I hope that the case will be thoroughly investigated, and that the Post Office will never again be prostituted in this way to serve the ends of any one political party.

Mr. JOHNSON (Lang) [4.11].—I wish to bring under the notice of the Government a complaint which is being made by a large number of municipal councils as to the manner in which they are treated by the removal of telegraph poles without consulting their convenience. To explain the position I will read a communication which I received from the Town Clerk of Sydney on the 19th January last.

Mr. FRAZER.—The complaint was made first by the City Council of Perth, which asked the concurrence of other councils in a certain course of action.

Mr. JOHNSON.—That may be so. I do not know the genesis of the movement. The letter is as follows:—

I have the honour, by direction of the Sydney Municipal Council, to invite your attention to a hardship under which local authorities in the

Commonwealth labour by reason of those provisions of the Federal Post and Telegraph Act that relate to the removal of telegraph and telephone poles. The provision referred to (section 85) makes the local authority liable for the cost of alterations to any pole belonging to the Postal Department, where such alterations are necessitated by the action of the former body, and whilst this appears reasonable enough at first sight, when regard is had to the fact that the Department can erect its poles wherever it pleases, without consulting the local authority in any way, and that (as the experience of this Council in connexion with its electric lighting scheme has abundantly shown) the positions chosen are often most unsuitable, it is at once obvious that the local authority is placed in a most unfair position in the matter. Were the Postal Department required to consult the local authority in connexion with the fixing of the positions of the telegraph and telephone poles, it is reasonable to suppose that the result would be mutually satisfactory, and if, under such circumstances, it afterwards became necessary to alter any pole by reason of works carried out by the local authority, then the cost of such alteration would be a fair and legitimate charge against the latter body. Again, similar hardship is experienced by reason of the fact that no restriction is placed upon the Department regarding the height of the telegraph and telephone wires, and it would undoubtedly bring about a more equitable and satisfactory state of things for all concerned if the height of the wires was restricted so that they could not be fixed below a certain height or above a certain maximum height in any one span. I am to say that the Council will be glad if you, as one of the representatives of this State in the Federal Parliament, will interest yourself in this matter, and endeavour to secure an amendment of the Post and Telegraph Act in the directions herein indicated. I may say that it is very probable that such an effort would meet with general support in Parliament, as it is known that the Municipalities of a large number of important cities and towns in the Commonwealth are acting similarly to this Council in the matter.

The concluding paragraph may have some reference to the remark that was made by the honorable member for Kalgoorlie. I hope that the Government will take this matter into consideration, and will endeavour to meet the wishes of the City Council and of the various municipalities interested.

Mr. PAGE.—Surely the honorable member would not ask the Federal Government to become subservient to the municipal councils?

Mr. JOHNSON.—I do not suggest anything of the kind.

Mr. PAGE.—That is what is suggested in the letter.

Mr. JOHNSON.—Nothing of the kind. The letter merely asks that a consultation shall be held in order to avoid any

clashing. It is only reasonable that the municipal councils should ask to be consulted with regard to the erection of the poles, so that the ratepayers they represent may not be subjected to unnecessary inconvenience.

Mr. PAGE.—That is what is being done now.

Mr. JOHNSON.—If that be the case, no ground of complaint could possibly exist.

Mr. PAGE.—I received a letter similar to the one read by the honorable member, and interviewed the Deputy Postmaster-General in Brisbane, who showed me clearly that the municipal authorities were consulted.

Mr. JOHNSON.—I have no personal knowledge of the subject. I was asked to bring the matter under the notice of the Government, and I trust that some mutually satisfactory arrangement will be arrived at.

Mr. LEE (Cowper) [4.18].—I wish to direct the attention of honorable members to a matter which does not appear to receive the consideration it deserves. The question of the acquirement of the Northern Territory by the Commonwealth should engage our serious attention.

Mr. SPEAKER.—I take it that the honorable member is referring to the matter dealt with in notice of motion No. 1 for Thursday, 5th July. If so, I cannot permit him to discuss it.

Mr. LEE.—I had intended to refer to the necessity of the Commonwealth taking immediate steps to acquire the Northern Territory. However, I shall reserve my remarks for the present. I am pleased to hear that the Minister of Trade and Customs has seen fit to modify the proposed regulations under the Commerce Act. On the 22nd May regulations were published in the press which it was stated were shortly to be gazetted. I am glad that the Minister has proved amenable to the pressure brought to bear on him by honorable members, and also to the representations of those interested in various industries. I fancy that he would have experienced a great deal of difficulty in carrying out the proposed regulations, which would certainly have caused an utter dislocation of the trade of the Commonwealth. For the first time it would have been necessary for all potatoes to be washed prior to exportation. It was proposed to insist upon potatoes being "sound, clean, and suitable for export."

Mr. PAGE.—That did not mean that they should be washed.

Mr. LEE.—As potatoes are usually covered with the dirt in which they are grown, they could not be cleaned unless they were washed. We were told by the Attorney-General when the Commerce Bill was under discussion that there was no serious intention on the part of the Government to grade butter, but under the proposed regulations a most complete system of grading was provided for. For instance, it was intended to judge the butter, and to indicate its quality by means of a scale of points. If the butter had to be sent to an exhibition, that proposal would have been quite appropriate, because when points are awarded in accordance with the various merits of the exhibit, the conclusions of the judges have an educational value. The judges at shows award so many points for flavour, so many for manufacture, so many for colour, and so many for packing. These points are marked on the boxes, and they indicate to all those under whose notice they are brought the respects in which the exhibit excels or is deficient. The information thus conveyed is very useful. Under the Government proposal the points awarded to the butter were not to be indicated by marks on the boxes, but merely in the certificates, and therefore no persons beyond those immediately interested in the produce would have been any the wiser.

Mr. PAGE.—The Attorney-General said there was to be no Federal grading at all.

Mr. LEE.—Exactly; but I am pointing out that grading of the most complete character was provided for in the proposed regulations. It was further provided that all butter should be at the appointed place three days before it was exported. Such a regulation would have seriously interfered with the operations of those interested in the trade. It was further stipulated that the butter should be at a temperature not lower than 40 degrees or above 70 degrees Fahrenheit at the time of inspection. Under these conditions, it would have been necessary to carry on the work of inspection at the various factories, and as there are 300 butter factories in New South Wales, an army of two or three hundred inspectors would have been required. It was also proposed that all butter should be shipped within fourteen days after the Government certificate was granted. I have known butter to lie in

Sydney for three weeks until space was available in an outgoing vessel, and if any such regulation as that indicated had been in force, it would have proved obstructive, and probably have involved intending shippers in very heavy loss. It would have taken the produce out of the control of owners. I would point out that the business methods of those who are now engaged in the butter industry are far in advance of the proposed regulations. Arrangements have recently been made on behalf of the Byron Bay butter factory—the largest in Australia—to have the butter frozen at the works, and to have it transferred without any appreciable reduction of temperature to refrigerating chambers in the coastal steamers, with the object of transshipping it direct to the ocean-going steamers, by which the produce is to be conveyed to the London market. Would the Government be justified in interfering with arrangements of this kind, which are being made for the benefit of the producers? If the butter is to be graded at the factories, all the produce that fails to pass the test as of first quality will be placed upon the local market instead of being exported. I have, however, heard some export merchants say that they would not care what the Government did in the matter of branding. The moment their produce reached London they would assert their rights as owners, and remove the brands if they were likely to interfere with the sale of the butter. I have heard some honorable members speak of the superiority of New Zealand butter over that manufactured in the Commonwealth. No doubt it is of a higher quality, but that is not owing to the grading. It is due to the provision of the Dairy Supervision Act in force in that Colony, which requires that the milk shall be aerated. That is one of the great secrets in the manufacture of butter. By aerating the milk, you get rid of all the gases which militate against its being kept in a fresh condition. The Fresh Food and Ice Company of New South Wales insist upon all their milk being aerated or cooled before it is sent to Sydney, and they are thus enabled to keep it sweet for a very long time. The New Zealand people have an excellent system of dairy supervision, and go right to the root of things when they insist that the milk shall be aerated. The Commonwealth authorities merely propose to deal with the finished article, and any such system of supervision must be defective. The control of the dairying industry should be

Mr. Lee.

in the hands of the States authorities, who, by employing experts to visit the various factories, and to set matters right where they are going wrong, could perform much useful work. The Commonwealth authorities are not in a position to undertake any such supervision. I compliment the Minister upon his intention to insist that packages of goods intended for export shall be correctly marked as to the weight of their contents. The extent to which short-weight packages have been exported from Australia has been disgraceful, and no State has offended in this respect to a greater degree than Victoria. For a considerable time, the butter exporters of that State sent out reputed 1-lb. tins which contained only 14½ ounces of butter, and, owing to their being able to sell their product at a cheaper rate on account of the short weight, they drove all other Australian competitors out of the trade. I am sorry that the Minister proposes to depend so much upon State officials in carrying out the regulations under the Act. I think that we should enforce our legislation by means of our own officers, and not depend entirely upon State officials. I would suggest that any of the States Governments, or any of the shippers, should be allowed to have a registered brand with which to mark their produce if they so desired. Eventually, the Commonwealth brand may be recognised everywhere, and be the favorite one. But we should not harass an industry with the idea of popularizing our brand. This industry has grown up in nearly all the States without Government assistance. In New South Wales the farmers have not received a £5-note from the State to encourage the butter industry. In fact, at their own expense, they have taught the other States. Their industry was an object-lesson for the State of Victoria, which sent its experts over to New South Wales to inquire into the factory system. We all know what splendid results have been obtained, and in what a systematic manner the butter producers of this State turn out an article which would do credit to any country in the world. In New South Wales, notwithstanding all the obstacles in the way, the butter industry has been built up to such a degree of perfection that at the Earls Court Exhibition, in London, the butter produced by the Alstonville factory, on the Richmond River, in the electorate of the Vice-President of the Executive Council, beat all the other butter factories in the British Em-

pire. I believe that if the Minister had expert inspectors, and if, when they passed remarks upon butter, they gave their reasons—stating whether the cream had been allowed to stand too long, or indicating other faults which they might observe—the inspection would have an educational value. I am quite satisfied, from what the Minister says, that his desire is to improve the quality of the butter. The only way to improve it is to have regulations of such a character that the inspection will be educational; so that the farmers, instead of fighting against a system which they regard as an interference, will look upon it as helping them in their work. We have already been told by Ministers that there is to be no brand on the boxes. I think we can take their word. I gather from these statements that the Minister has listened to the protests which have been put forward by Mr. Meares, the very able manager of the largest co-operative company of its kind in Australia.

Mr. LONSDALE (New England) [4.34].—Most of the questions which have been raised in the course of this debate deserve the best consideration of Ministers. I object, of course, to what has been permitted by the Post and Telegraph Department in reference to the posting of a partisan periodical bearing the letters "O.H.M.S." It was not a Government document, although it may have contained an official advertisement. The publication contained a political attack upon one party in this House. I rather imagine that the Government would not have permitted it to be carried had it contained an attack upon their own party.

Mr. EWING.—It was stopped immediately I heard of it.

Mr. LONSDALE.—Of course, it would not have been stopped if the Minister had not been told. But where were the officials who are supposed to control the Post Office, and what was the head of the Department doing? If evils are to wait to be checked until the Minister is told of them, they may continue for a long time. I trust that nothing of the kind will be allowed to occur in the future. Let us have fair fighting, whatever our opinions may be. With regard to the butter-grading business, I opposed the Act to which reference has been made when it was before Parliament. But we then had the assurance of various Ministers that no such thing was intended as has since been indicated. The Vice-President of the Executive Coun-

cil, in fact, said that no sane man would propose to do such a thing. Yet the Government, of which he is one of the leading members, appears to have framed regulations that contain the very thing that is objected to. It would be utterly impossible to do what these regulations require. Two or three hundred inspectors, who would have to be stationed in the different butter factories, would be required to accomplish the purpose. The largest butter factory in New South Wales, that at Byron Bay, has made arrangements to ship its own butter right through to firms in England. This factory has to rely upon the quality of its butter for the success of its operations. I had an interview with the general manager of the company after he had returned from England, where he had been to make arrangements with London brokers to take the whole of the product of the factory, and put it upon the market. There are direct relations between the producers in this country and the selling brokers in England. Is it likely that this firm would allow its butter to go Home in a condition that would jeopardize the whole of its trade? To maintain butter in good condition it must be kept frozen from the time it leaves the factory until it reaches the market. This company has made its own arrangements to send its butter right through in a frozen condition. Unless the Government has an expert at the factory to inspect while the butter is being made, it cannot be inspected at all. Certainly it cannot be inspected when it is frozen. Is it supposed that the company will thaw its butter in order that it may be inspected? If not, the inspection will be a sham. How can the Government inspector give a certificate that butter is of the best quality if he has only seen it in a frozen condition? With regard to grading, it appears to me that what the Minister contemplates is utterly impossible. We have in the Hunter district of New South Wales a factory that makes a class of butter that would not be looked upon as first class by an expert. Yet that butter is sent to markets in Europe, where it brings a higher price than butters which are graded first class. The explanation is that the people who buy this butter prefer the taste of it to other butters which, in the opinion of experts, are of better quality. If these purchasers had first-class butter offered to them, and at the same time had a choice of the butter to which I refer, and which might be marked third class, they would prefer the

third-class butter to the first. Why on earth should we put upon our products a brand which prevents them from being sold under fair market conditions? I can bear out what the honorable member for Cowper has said about the aerating of cream in New Zealand. I have a son who had charge of a creamery in that country, and who has told me that the aerating of the cream was the cause of the superiority in the quality of New Zealand butter. He said that no matter how strong the milk was, and no matter what the cows were fed upon, the aerating of the cream enabled butter of the best quality to be made.

Mr. WILKS.—Did the honorable member get his son that billet?

Mr. LONSDALE.—I did not get him the billet. He went to New Zealand without any assistance from me or from any one else. He got his billet on his merits, and kept it on his merits. He was prepared to fight his own battle against the world. That is the sort of man we want in this country. I have been in politics for many years, but no one can accuse me of desiring to obtain billets in the Public Service to assist any relations of mine. I desire to call attention now to one or two matters which, unfortunately, arise under the provisions of the Public Service Act. I find that officers in the clerical division suffer disabilities which officers in the general division do not suffer. There are officers in the clerical division who cannot get a salary of £110 a year, as an officer in the general division can get. According to the Public Service Act, an officer in the general division, upon reaching the age of twenty-one years, and serving a certain period, can get a salary of £110 at once, without being required to pass an examination. On the other hand, an officer in the clerical division is called upon to pass a certain examination before he can get that salary. I do not recognise the fairness of the provision in the Act. In my opinion, we should treat all men alike. I do not propose to express an opinion as to the salary of £110, or anything of that kind.

Mr. PAGE.—One man has brains, and the other has muscles.

Mr. LONSDALE.—We should pay the man with the brains just as well as we pay the man with the muscles. Many of these young men to whom I refer are located in the interior parts of the country, where they cannot get such advantages as can be procured in the city. Their work engages

practically all their attention, and in the circumstances it is very hard for them to read up for an examination. We place men under a disability because they happen to be in the clerical division. I would not differentiate between a man with muscles and a man with brains.

Mr. PAGE.—I would.

Mr. LONSDALE.—I think that a man who has brains ought to be paid better than a man who has only muscles.

Mr. PAGE.—As a contractor, the honorable member ought to know that.

Mr. LONSDALE.—I am prepared to pay for brains and muscles, but I would pay all men alike. I would not differentiate between them.

Mr. WILKS.—Would not the honorable member grade them?

Mr. LONSDALE.—I would grade them according to their quality and merits. A man who has muscles must possess some brains, otherwise he would be of very little use. It seems to me absurd that, because a man is engaged in a manual occupation, he should get a salary of £110 as soon as he has reached the age of twenty-one years and has served a certain term, and that because a man is in the clerical division he should not receive similar remuneration. I am surprised at a member of the Labour Party taking up the attitude which the honorable member for Maranoa seems to take up. When he talks on a platform he will tell clerical officers that he is quite as much in their favour as he is in favour of men with muscles. He will talk then about how he looked after the men with brains as well as the men with muscles. Postal assistants cannot get an advance from their grade into a position which carries a higher salary unless they can pass an examination in telegraphy. Many of these officers have no experience in telegraphy, as they are not called upon to use the instrument. All their work is practically of a clerical nature. In some places in the country districts, where there are one or two assistants in the post-office, it is impossible for these men to get education in a direction which would fit him for a position in the next grade. I hope that the Acting Postmaster-General will meet the position, either by proposing to alter the Public Service Act, or by putting these men gradually into positions where they could get instruction in telegraphy and qualify themselves to pass the necessary examination to fit them for a

position in a higher grade. We often hear about how splendidly the telephone system is managed under the Government, and it is quoted by the Socialistic Party as an illustration of the success of governmental management. In my electorate, there are two gentlemen who are erecting private telephones. They tried to get the Government to put up the lines, but the price asked, not only for construction, but also for maintenance, was simply outrageous. In the circumstances, I advised the gentlemen to erect their own lines, which they are now doing in order to connect themselves with a town in my electorate, and when the work is finished, instead of having to pay £30 or £40 a year to the Department, they will have to pay only £4 5s. a year. That simply shows the difference between private enterprise and governmental management. It indicates the utter absurdity of the way in which the Telephone Department is conducted in this respect.

Mr. WILKS.—Then the honorable member does not believe in Socialism?

Mr. LONSDALE.—I do not believe in Socialism of that kind. I believe in Socialism that may benefit the whole of the people. This kind of Socialism is an illustration of what the other kind of Socialism would do; instead of benefiting the people, it would injure them. I was informed by the officers of the Department that the charge which they make for private telephones is fixed by the aggregate cost of maintaining the lines in all the States.

Mr. KELLY.—They do not know what the cost is.

Mr. LONSDALE.—I do not think that they do. They informed me that the cost is very much greater in Queensland and Western Australia than in New South Wales and Victoria, and that, therefore, they cannot make differential charges. They have to bring down the charges in Western Australia and Queensland, and put up the charges in Victoria and New South Wales.

Mr. BAMFORD.—We want that statement confirmed.

Mr. LONSDALE.—I cannot say whether the statement is true or not. But, according to the officers, a part of the extra cost in Queensland and Western Australia falls upon New South Wales and Victoria. They charge 25s. a year for the maintenance of a mile of wire, as long as it is used. Although they may put twenty wires on the same posts, still they

charge 25s. a year per mile for the maintenance of each line of wire. From this case, honorable members will see how the telephone system is being conducted, and what an injury it is doing to outlying districts. Only the other day, a gentleman who lives about twelve miles from Armidale, in my electorate, told me that it would cost him about £20 a year to be connected with the telephone system, because he would have to pay 25s. a year per mile for the maintenance of the line. I believe, with the honorable member for Wentworth, that the officers of the Department really do not know what the cost of telephone lines is. I took the number of miles which a maintenance man had to look after in one part of my electorate. I ascertained what he cost the Department per year, and I found that it did not amount to 25s. per mile, or anything like that sum. He can look after half-a-dozen lines in the same time as he can look after one or two. I call the attention of the Acting Postmaster-General to this matter. I am afraid that he has not much time in which to take action, because we are informed that the Postmaster-General is on the coast; but he would make a name for himself throughout the interior districts of all the States by taking steps to reduce these charges, and bring telephones within the reach of the men in those districts. I wish to refer now to the carriage of mails in country districts. Very often a number of persons who are living at some distance from a town get a mail run along, and in many cases they are called upon to bear a certain proportion of the cost. That is a charge which should not be made against them. We talk of penny postage to people in all directions. In the city we take the letters to the doors of the people, not once, but two or three times a day; but in the case of men who have gone out to settle upon the land another system is pursued by the Department. It is outrageous that where £39 a year has to be paid by the Department for a mail service, a third of the cost should be demanded from the settlers on the route. No matter what the loss on these services may be, I think that it should be borne by the general revenue. I do not believe that a voice would be raised here against the adoption of that course, because it would promote the interests of those persons who are isolated from all that which makes life pleasant, and who only occasionally are

able to get a newspaper or letter by the present means. If this great socialistic concern is to be carried on for the benefit of the people, it should be managed for the benefit of the people in the country, as well as in the city. We are told that the object of Socialism is to improve the position of all the people. Here is an opportunity for the Labour Party to practise Socialism in a right way. They call this a socialistic enterprise, but it is not carrying out Socialism properly.

Sir WILLIAM LYNE.—What is Socialism?

Mr. LONSDALE.—I think that Socialism is for a man to get all he can for himself. At any rate, the Labour Party have a chance now to express their views, because men like myself have no influence with this Ministry. The moment we take up a proposal the Ministers set up their backs, and are determined that it shall not be carried out.

Sir WILLIAM LYNE.—Did I not meet the deputy leader of the Opposition this afternoon in regard to the export of butter?

Mr. LONSDALE.—I do not know, as I was not here. I hope that, in the interests of men living in the interior districts, the honorable member for Maranoa will bring this grievance under the notice of his leader in caucus, and that they will insist upon fair treatment being meted out, and upon the loss, if any, being borne by the whole community. There would be only a very small sum for each person in the cities and towns to bear. I want honorable members, at any rate those who are here, to look at this matter on right lines, and try to do what they can to help the people in the country districts.

Mr. PAGE.—How can we, when the honorable member is on the wrong track?

Mr. LONSDALE.—I am on the right track, but, instead of seeking to help these persons, the honorable member votes against his own convictions, because of the decision of the caucus. I do not wish to be dragged into anything of that kind. I have no wish to detain the House longer, but I should like to say that what we need to develop in this community is a spirit of self-reliance in our people, and that the present Ministry are not attempting to do. To get back to the Commerce Act, I might remind the Government that the Tasmanian people made their own arrangements for the export of apples to England. They did not ask the Commonwealth to step in and assist them. The men who send apples for are prepared to take all

the risk, and all they ask the Commonwealth Government to do is to leave them alone. The one State that is continually calling for all kinds of Government interference, and is always complaining of her want of prosperity and loss of trade, is the State in which this Parliament meets. This State is always seeking to use her influence here to get all sorts of restrictions passed in the interests of her people. They have been spoon-fed all their years, and have never shown themselves reliant and strong. Whilst we have a Ministry seeking by every means to destroy the self-reliance of the people we shall have the same state of things continuing in the future, and, instead of growing to be strong, healthy, and powerful, as we should, we shall stand as a spectacle for the nations. I noticed that a firm in Brisbane was prosecuted recently for selling an article, supposed to be a medicine, that would cure all the ills that flesh is heir to. It was discovered that that medicine contained 42 per cent. of alcohol, and it was evidently used as a means of getting behind the licensing law. If the Minister has the power under the Commerce Act, and I think he has, he should stop the importation of such stuff as that.

Sir WILLIAM LYNE.—So he will, perhaps.

Mr. LONSDALE.—When the Commerce Bill was before the House I objected to what the Minister desired to do. The honorable gentleman desired only to stop the importation of such an article unless a proper label was on it. I say that anything that is injurious to the health of the people should not be allowed to come in, no matter what label is on it.

Sir WILLIAM LYNE.—If it can be stopped under those conditions.

Mr. LONSDALE.—The idea of the Minister, and of some members of the Labour Party also, was that such articles should be prevented from coming into the Commonwealth unless they were properly labelled; but the honorable gentleman says that if the goods have applied to them a proper description he will allow them to come in, although they may sap the health and strength of the people.

Sir WILLIAM LYNE.—No, no; that is not right.

Mr. LONSDALE.—What we desired, and what we voted for, was that importations that would be injurious to the health of the community should be destroyed or

sent back to the place from which they came. If the Minister will follow that course, instead of fooling about with impossible butter grading, he might do some good for this community. I hope Ministers will take notice of the remarks which have been made, especially in connexion with mails and telephones, and will endeavour, by giving them better facilities, to make it easier for the people in the country districts to carry on their correspondence with the various large centres with which they may be connected.

Mr. PAGE (Maranoa) [5.5].—I knew the honorable member for New England only wanted warming up to let us hear what he had to say, and we have since listened to remarks from him on the subject of brain and muscle. He has told us that brain should be treated in the same way as muscle, and that there should be no grading between them. I ask the honorable member whether, as a contractor, he paid as much for muscle as for brain? I venture to say that he did not.

Mr. LONSDALE.—I paid a man according to his value.

Mr. PAGE.—Of course, the honorable member shirks and shuffles about when he is pinned to a definite question. He knows very well that when he employed a tradesman whose work required the application of brains, he had to pay him a tradesman's wages, and that he did not pay a navvy the same wages as he paid to a carpenter, engine-fitter, painter, or any other tradesman whose work, to be properly done, required the application of skill and brains. He paid a navvy only for the work he did with his muscle. It is all very well for the honorable member to speak of officers in the Clerical Division getting the minimum of £110, the same as officers in the General Division, but he knows perfectly well that under the Act it is strictly laid down that officers of the Clerical Division must pass a clerical examination, whilst officers of the General Division are required to know only the four simple rules of arithmetic, to be able to read, and to write from dictation. The honorable member spoke of men away in the back blocks, and I should like to know to what he refers.

Mr. LONSDALE.—To men up in the Maranoa district.

Mr. PAGE. — Every clerical officer in that district who wishes to get the salary of £110 has only to apply to the Public

Service Commissioner, and he is given a chance to pass an examination. All that he is required to show by the examination, to qualify him for the higher salary, is that he knows something about the work he is doing.

Mr. LONSDALE.—That is not so.

Mr. PAGE.—I beg the honorable member's pardon. I am sure of it, because I have the questions and answers in the case of two examinations that took place during the recess.

Mr. LONSDALE. — Then the examination has been modified.

Mr. PAGE.—I ask the honorable member if he ever saw one of these examination papers? He makes the statement that the paper is so difficult that officers in the bush are unable to pass it, because they have too much work to do. It is my experience that the men in the bush offices have more time on their hands than have those in town and city offices.

Mr. LONSDALE.—They have not the opportunity of getting coached up which men in the cities and towns have.

Mr. PAGE.—If they have once passed the clerical examination which they must pass to enable them to enter the Service, they should want no coaching. If I had education sufficient to enable me to pass the clerical examination for entry into the Commonwealth Service, I should want no more coaching. The only thing they are asked to do to qualify them for the salary of £110 is to prove their competence for the work they are doing. The honorable member for Cowper referred to the Commerce Act when the Minister of Trade and Customs was temporarily absent from the chamber. I hope that what he accused the Minister of doing is not true, because, if it is, the action alleged to be taken will bring the whole of this legislation into ridicule, and will render the operation of the Commerce Act a regular farce. The honorable member charged the Minister with having issued a regulation requiring potatoes to be washed in order that it might be possible to discriminate between black, pink, and white skin potatoes.

Sir WILLIAM LYNE.—Surely the honorable member did not say that?

Mr. PAGE.—I have only the statement of the honorable member for Cowper for it, and if that statement be true, I ask the Minister not to attempt to enforce such regulations, because to do so would be simply to make a farce of the whole

concern. The whole of the regulations under the measure will be the subject of contempt and ridicule, and if the honorable member for Cowper has correctly described them, they would richly deserve to be. On the subject of the answering of questions by Ministers, I should like to point out that the putting of questions is one of the privileges of private members, no matter on which side of the House they may sit. Our position in the House to-day might be occupied by honorable members opposite a little later. We have all had a turn so far in the cold shades of opposition. When honorable members put questions on the notice-paper, they do not do so for the fun of the thing. They expect answers to their questions; but, in many cases, all they get is "Yes" or "No." When an honorable member asks a question of a Minister, he should get a reasonable and proper answer. Take my own case to-day. I had some questions on the notice-paper, and I certainly do not consider that they were answered satisfactorily. I asked—

9. Have any of the present Commandants passed the examination for Lieutenant-Colonel?

10. If so, who are they?

The answer I received was this—

9 and 10. With one exception (when the appointment was made by the late Minister) the present Commandants held the substantive rank of Lieutenant-Colonel, or higher rank prior to the coming into force of the Commonwealth Defence Act and Regulations, and under the previous Regulations they were not required to pass any examination for that rank.

That is not an answer to the questions I asked. It is an absolute evasion of those questions. I wished to know how many of the present commandants had passed the examination for lieutenant-colonel. It would have been a very simple matter to have said that one, two, three, four, five, or six, had done so, or that none had done so. I got no answer to the question as to who, if any, had passed the examination. I am told that one commandant passed the examination. I want to know who that one commandant is. If the officers occupying these positions have not passed the examination for lieutenant-colonel, they are not fit to occupy them, and have no business to be there. Later on, I asked the question—

Did General Hutton leave on record an unfavourable report of the abilities of Colonel Hoad, and what was such report?

I remember seeing in the *Age* and *Argus*, just before Major-General Hutton left, the statement that a report had been issued by him to the Minister on giving up command

of the Commonwealth Forces, and yet the answer I got to my question is—

11. Before leaving for England, Major-General Hutton, at the request of the Minister, made confidential reports on all the officers of the Permanent Military Forces of the Commonwealth. The Minister considers it inadvisable, in the interests of the Service, to make public these confidential reports. Before Colonel Hoad was appointed Senior Member of the Military Board, the Minister then in charge of the Department had in his possession the confidential reports made by Major-General Hutton on all the Permanent Officers.

This was not a confidential report, because, as I have shown, it was published in the press, where anybody could see it.

Mr. BAMFORD.—The honorable member does not believe in Major-General Hutton?

Mr. PAGE.—I do not say that. I think that Major-General Hutton is a good soldier, only he does not understand the Australian sentiment. Major-General Hutton, in speaking of Colonel Hoad, said he was "the most incapable officer I have ever had to do with."

Mr. McCOLL.—I think Major-General Hutton wrote a lie when he wrote that.

Mr. PAGE.—Major-General Hutton was imported from Home as Commanding Officer, as the very best man we could get, and at a high salary; and that is the opinion he expressed of Colonel Hoad.

Mr. SALMON.—Why did Major-General Hutton appoint Colonel Hoad?

Mr. PAGE.—The honorable member had better ask Major-General Hutton that question; I am merely informing honorable members what was said by that officer, and showing that this cannot be regarded as a confidential report. All I ask is that the Government should lay the report on the table, and allow honorable members to draw their own conclusions. If there is anything in that report in favour of Colonel Hoad, or, on the other hand, anything to damn that officer, let it be known to honorable members. If what I am saying is not true, let the Government—let the Prime Minister or the Minister of Defence—deny it. So far as Colonel Hoad is concerned, I entertain no personal feeling whatever. If Colonel Hoad is a competent officer, by all means let him have this appointment. I am now speaking on behalf of the Commonwealth; and I say that if the Defence Forces are to be a benevolent asylum, let us so declare at once. There are a lot of incapable officers commanding forces, who ought to be retired; and we cannot shut our eyes to

the fact. I do not wish to name any particular officers, but any one who knows anything of the Defence Forces, knows that there are men in command in the different States who are practically incompetent. If there is anything to be said in favour of Colonel Hoad's appointment to the Inspector-Generalship, we have a right to know what it is. I have challenged the Government on what I have read in the public press, to place this report upon the table of the House.

Mr. KENNEDY.—That cannot be done if it is a confidential report.

Mr. PAGE.—Then why does the report appear in the press?

Mr. SALMON.—Does the honorable member for Maranoa believe all that appears in the press?

Mr. PAGE.—Fortunately for myself, I do not; but what I have read are statements made about an officer who may be appointed to the most responsible position in the Commonwealth Defence Forces. As I said before, I am only speaking in the interests of the community; I do not care twopence who gets the appointment. So far as my personal feeling is concerned, I should like Colonel Hoad to have the position if he is competent. But I am not going to allow my sentimental feelings to run away with my good conscience, or what I consider to be my good conscience. So far as Colonel Hoad is concerned, I have nothing whatever to say against him. I should like to see an Australian officer appointed if he be competent.

Mr. WILKS.—In what way is Colonel Hoad incapable?

Mr. PAGE.—I have seen Colonel Hoad's record, and there is nothing in it in my opinion to prove that he is competent to take charge of the Military Forces. The honorable member for Dalley will bear me out in what I am now going to say. General Kelly-Kenny—

Mr. BAMFORD.—Do not be personal.

Mr. PAGE.—What does the honorable member mean? General Kelly-Kenny's tactics in the Imperial military forces were considered perfection. On one particular occasion, when a great battle took place in New South Wales, one of the charges hurled against the honorable member for Dalley was that he had used his own brains and had taken his commanding officer prisoner—that he had not fought the battle according to General Kelly-Kenny's tactics.

Mr. WILKS.—That was not a matter of tactics, but of strategy.

Mr. PAGE.—At any rate, the honorable member for Dalley outflanked his commanding officer. The book written by General Kelly-Kenny, of the Imperial Forces, was sent all over the world, and his tactics were regarded as those of the defence forces of all British-speaking communities. What happened? When General Kelly-Kenny was put in the field in South Africa, and told to move the forces, he proved one of the most incompetent generals there. Then, again, General Gatacre, when fighting in the Colesberg Ranges, was looked upon, with his Indian experiences, as one of the best officers in the service; and it is well known what happened to him. General Gatacre did not cause one disaster, but four disasters in succession, and consequently he was superseded. I have been through all the country in which General Gatacre fought in South Africa, and I know it as well as I know Melbourne. These men, who were considered the very cream of the Imperial Service, made mistakes. The only qualification, so far as I can see, that Colonel Hoad possesses, as the result of his whole career, is that he commanded the Australian soldiers who were invalidated, and the nondescript Australian brigades in South Africa.

Mr. SALMON.—Colonel Hoad did very good work.

Mr. PAGE.—I have no doubt. But I can tell honorable members how it is that some officers claim that they have held commanding positions in South Africa. In the Imperial Service there was a great shortage of officers, owing to so many being shot or invalidated, and others had to be found to fill their places. I know of one colonial officer who was given charge of a field battery in South Africa simply because he happened to be the senior officer on the ground, and there was no other artillery officer to take the position. This Australian officer was, under these circumstances, asked to take charge until an officer of higher position was obtained; and yet he now claims that he was in command of a battery of artillery in the South African war. If that be his qualification, I might make exactly the same claim for myself, for at the battle of Ingogo I was the only gunner left standing, thus being in command of the battery, which was worked with the help of the Rifle Brigade. But

I did not come back a colonel, and pose as a military authority. What I have stated is the only qualification I can see in the whole of Colonel Hoad's career to justify his being pitch-forked into this position. I say it is a scandal in the Commonwealth, and nothing else. I have received two anonymous letters—one from an officer in Melbourne, and another from an officer in Sydney—the contents of which strike me as being very pertinent to this question. Both these officers say that they cannot get on in the service simply because they do not belong to the Australian Natives' Association.

Mr. WILKS. — Apparently the idea of Australia for the Australians is being worked.

Mr. PAGE. — Where it suits. I can show the inconsistency of the Government in regard to this claim of Australia for the Australians. I make these remarks with all due respect to every Australian, because after twenty-four or twenty-five years in the country—practically a lifetime—and as the father of some Australians, I look upon myself as an Australian. But as an imported man, I cannot forget the country which gave me birth and nurtured me. If my country wanted my services to-morrow I should leave Australia and proffer those services. I cannot, however, allow sentiment to run away with me in connexion with this cry of "Australia for the Australians." If the Government are consistent in their attitude in this connexion, why do they not put an Australian at the head of affairs in New Guinea? Can it be said that out of 4,000,000 of people, there is not a man with brains enough to administer the Government of that Possession? There are many thousands of men who could do that work; and yet, for a Possession which costs Australia from £20,000 to £25,000 a year, the Government are importing a man as Administrator. The position of Inspector-General will cost thousands of pounds, and we spend nearly £1,000,000 a year on the Defence Forces; and yet, while the Government find it possible to obtain in Australia an Inspector-General, they go abroad to find an Administrator for New Guinea. The idea is preposterous! "Australia for the Australians" is certainly a good protectionist policy; and I should recommend a ring fence around Australia, which, while keeping Australians in, may keep other people out, and thus enable us to dispense with the Defence Forces. If we are to

have defences, let us have them; but we have not them yet. We have spent millions on the defences, and yet they are in a worse position now than when the Commonwealth took over the administration. It was the honorable member for Parramatta, I think, who referred to the appointment of Major-General Hutton at an exorbitant salary, with travelling expenses to enable him to go through the country and prepare a proper scheme of defence. What happened after that scheme was prepared? After all the expenditure, the scheme had to be sent home to the old country in charge of Colonel Bridges. I believe Colonel Bridges to be an officer in every sense of the word—a thorough soldier, and the only soldier of high rank we have in the Commonwealth to-day. I know there are a lot of young men coming on—there are two in Queensland, and three or four in Sydney—who will be a credit to the Forces.

Mr. WILKS.—Colonel Bridges rose from the ranks.

Mr. PAGE.—I am satisfied that Colonel Bridges is a soldier, and a scientific soldier, in every sense of the word; and if he were given the command, we should get some value for our money.

Mr. BAMFORD.—Does Colonel Bridges belong to the Australian Natives' Association?

Mr. PAGE.—I have not the slightest idea. So far as that association is concerned, I give the information I have merely for what it is worth. The *Herald* wound up its article by presenting another qualification for the officer in command. Mr. Speaker, I would sooner see you Commandant than I would Colonel Hoad; because I am satisfied you would not make a mess of things—that you would leave matters as they are. God knows what will happen when Colonel Hoad gets there! We know some of the things which have occurred under that officer. Anybody who stuck up for, or was a favorite of Major-General Hutton, has since been passed over, whereas all who stuck up for Colonel Hoad have—since he got his seat on the Board—and I have watched this very quietly—fallen into good positions.

Mr. SALMON.—The honorable member ought to make a specific charge.

Mr. PAGE.—If the Government will grant me an inquiry, I shall make more charges and substantiate them. No one knows better about these forces than the honorable member for Laanecoorie. What

is the good of that honorable member talking as he is talking now, when we recollect that he stood up in his place here and declared that two officers whom he knew—one Captain in particular—had been passed over on account of social influence?

Mr. SALMON.—That had nothing whatever to do with Colonel Hoad.

Mr. PAGE.—But it is peculiar that there should be charges against somebody else of using social influence. I am prepared to substantiate every word I say. Honorable members have only to carry their minds back, to know that Colonel Hoad and Major-General Hutton were at daggers drawn. I am informed — this is only hearsay — that for some time before Major-General Hutton left Australia he and Colonel Hoad were not on speaking terms. Fancy the Chief of Staff and the General Officer Commanding not on speaking terms! Who suffers from all this sort of thing? The Forces of the Commonwealth, of course. Is that a desirable state of things? I maintain that it is not. I think that it was Lt.-Colonel Antill and General French who spoke at the dinner to which I have referred, and a great deal of what they said there has since come true. If General French had stood his ground, instead of running away, he could have proved a good many of his statements, and if we only wait long enough, I am certain that every one of them will be proved, with, perhaps, the exception that some waster from South Australia will not be appointed Inspector-General. With regard to my charge against the Government about this confidential report, I speak of what I have read in the press. I desire that Colonel Hoad, like any other man, shall have a square deal. I have no feeling against him, and wish him well.

Mr. STORRER.—Then, why does the honorable member make these charges against him?

Mr. PAGE.—In the interests of the Commonwealth. Do we wish to make our Defence Forces a charitable institution for wasters?

Mr. STORRER.—That will not happen while we have a good man at the head of affairs.

Mr. PAGE.—If the honorable member considers Colonel Hoad a good man, let him get up and point out his good qualities, and, if he disproves my statement, I will withdraw every word that I have said against that officer.

Mr. WILKS.—The honorable member is not making this a personal matter.

Mr. PAGE.—No. I wish the best man available to be chosen. It does not matter two straws to me who is appointed, so long as we have a competent man at the head of affairs, and, if it can be proved that Colonel Hoad is a competent man, I shall be willing to congratulate him upon getting the position of Inspector-General.

Mr. KELLY (Wentworth) [5.33].—We can all congratulate the honorable member for Maranoa on the fearless way in which he has expressed his opinions, even though some of us may not agree with him on all points; for he spoke from absolute conviction, and without ulterior motives. I wish to indorse what he said with reference to the way in which the Government have of late avoided giving straightforward answers to pertinent questions. To-day the honorable member asked a series of questions which, if they had been truthfully answered, would have shown how complete is the present disorganization of our Defence Department. The Government did not hesitate to give evasive answers, in order to conceal this state of affairs. The extraordinary thing about the matter to me is that they actually seem proud of their powers of evasion. Indeed, the more misleading the answers given, the better they are pleased. It may occasionally be contrary to the public interest to answer questions relating to Defence, but, when that is necessary, the Government should accept the responsibility of declining to answer. No consideration of public interest requires a Minister to mislead the House, or to give evasive answers to honest questions. Not only are the Government prepared to ignore their responsibilities in this matter, but we have the admission of the Minister of Defence that they have suppressed information of the utmost importance. Speaking to an interviewer, the Minister said yesterday—to quote the report in to-day's *Argus*—

“Why should the Council of Defence have been called together oftener?” “They are a council that advises on questions of policy, and only need meet when policy is being discussed. During my administration they have met twice—on the same question. They met to consider Captain Creswell's report—the one recommending a fleet. Then they met again to consider the report of Colonel Bridges on the same subject. And the two reports were so diametrically opposite that everybody was in a fog.

The Government printed the report of Captain Creswell, and laid it before Parliament and the press; but for many months past they have suppressed the report of Colonel Bridges, their own Chief of Intelligence, who condemned Captain Creswell's proposals. Was that an open way in which to treat Parliament and the country? The Government should not have printed one report without printing the other. Do they regard the question of defence as a party one; or have they handed over their responsibilities in this matter to the *Age* newspaper? Whatever may be the position, the state of affairs is a sorry one, and, I hope, will soon be corrected. A good deal has been said lately about the failure of the Board system in connexion with the administration of the Defence Department; but I ask honorable members whether the failure, which is apparent, has been due to the inherent defects of that system, or to the helpless administration of it which we have had during the past year. The first argument in favour of the Board system was that it would allow the proper allotment of responsibility in each branch of the Defence Department, while permitting an absolutely impartial report upon the administration of that Department to be furnished to Parliament by an independent officer. The second good point claimed for it was that it would keep Parliament in closer touch with the affairs of the Department than would be possible if the system of a General Officer Commanding were retained. Its third good point was that it would insure a continuity of policy. On the other side, it was argued that, in a small service like ours, it would always be difficult to find a sufficient number of expert officers to fill the positions which would be created if the Board system were adopted. Parliament determined to adopt the Board system, and the best officers available here were appointed to the positions of Inspector-General and members of the Council and Boards. But we have not given them a free hand, and we have gone to no trouble to train up successors to them. The Council has had no opportunity to properly exercise its functions, and the Inspector-General has been hampered by the lack of necessary assistance. We have bought a ship, but have refused to equip it with sails, and now we are asked to raise the wind to direct a gearless vessel.

Mr. SALMON.—What assistance has been refused to the Inspector-General?

Mr. Kelly.

Mr. KELLY.—Ordinary clerical assistance necessary for the proper performance of his duties.

Mr. SALMON.—What clerical assistance has he?

Mr. KELLY.—He has one secretary, who travels with him; but he states in his report that it is essential that he should have more assistance, unless he is to be turned into an inspector of units of companies, instead of an Inspector-General of the working of the Department. I recommend the report to the honorable member's consideration. In spite of the Board system, we have now no continuity in our Defence policy, and, indeed, no policy at all. Parliament has less knowledge of the working of the Defence Department than it had before. Who is to blame for this? Whose fault is it that the Council of Defence has met only twice during the administration of the present Minister? Questions of the most pressing importance have arisen this year which the Council should have considered in all details, and discussed with the utmost care. There was, for instance, the question of the adaptability of the Swiss system to Australian conditions. On the Minister's own showing, the Council has not considered that question at all. Why has the Council not met? Is it the fault of the Council, or of the Minister, whose chief anxiety is to get back to his native town every weekend? Whose fault is it that we have no Defence policy? Is it the fault of the Council, which has had no opportunity to meet, or of the Minister, who does not possess a sufficient sense of responsibility to make him call its members together? Whose fault is it that the administration has not upheld the regulations of the Department, and that the service is in a state of disorganization and unrest, because of maladministration? Is it the fault of the Board system, or of the Minister? I recommend that question to the serious consideration of honorable members. The blame for all these things undeniably rests with our method of choosing Ministers and allotting portfolios. The weakest man in the Ministry is, under present conditions of Government, considered the best to fling into the Department that most needs strength in its administration. This Government had but few supporters in the Senate—I think four all told. From these they had to choose two as Ministers, and to one they allotted this

most important portfolio. Thus it is that the Defence Department has been reduced to such a hopeless pass. I do not say that the whole fault lies with the present Minister, because the Department was in anything but perfect order when he took office. I contend, however, that in considering a question of national moment such as the defence of Australia, it is necessary to be honest, and to ask "Whose is the fault?" Does the fault lie with the system of administration or with the persons whom we have chosen to preside over the Department? If we do not like the system of control by Boards, let us honestly confess that we have made a mistake, and frankly retrace our steps. For my own part, I do not think that we have yet given the Board system a fair trial. If there is anything I deprecate in this connexion, it is constant change from one system to another, instead of having a settled system of administration. I think that, now that we have inaugurated the Board system, we ought to give it a chance of proving itself. If, after a fair test, it is shown to be deficient, by all means let us make a change. We should not, however, adopt an inept compromise between control by a General Officer Commanding and control by a Board. We do not want a "Poobah" General Officer Commanding, nor should we permit the Inspector-General of the Forces, as a member of the Board, to report upon his own work.

Mr. CAMERON.—Is it proposed to do that?

Mr. KELLY.—That has been suggested by the newspaper whose wishes are usually law to the present Government. It has been suggested that the new Inspector-General should have a position on the Board. In other words, it is suggested that the Inspector-General should be the impartial critic of his own actions. What a hopeless subversion of the underlying principle of the Board system would thereby be involved! It is the first duty of any Government to put our defences in sound order. The Minister of Defence seems to think that it is not necessary for the Council of Defence to meet often. Questions of the greatest interest and importance in regard to defence matters have arisen in various States during the past year, and should have been immediately submitted to this great advising Council upon all questions of policy. When the Minister cannot see the necessity for frequent meet-

ings of the Council of Defence, he shows that he has no appreciation of the duties of his high position. Let us have no more of this nerveless control of the country's most important Department. I do not wish to say any more upon that point. The honorable member for Maranoa dealt at considerable length—and, I believe, as the result of the firmest conviction on his part—with the question of who should, in the interests of the Commonwealth, be appointed to the position of Inspector-General of the Forces. Like the honorable member, I approach this question in no personal spirit. I have met Colonel Hoad—to whom I may be pardoned for referring, seeing that his name was raised by the honorable member for Maranoa—on two or three occasions, and what I have seen of him I have liked. I think, however, that personal regard should in all cases give way to considerations of public good. I feel that the one great essential is that the Inspector-General should be above all political influences, and absolutely fearless. If there is anything, to my mind, which weighs against Colonel Hoad, it is that he, more than any other officer in the Public Service of Australia, seems to make use of political influence.

Mr. EWING.—That is not so.

Mr. KELLY.—I believe that what I am saying is true.

Mr. EWING.—But the honorable member should be sure before he says it.

Mr. KELLY.—I am quite sure, in my own mind.

Mr. SALMON.—Would the honorable member give us some instances to support his contention?

Mr. KELLY.—Does the honorable member call upon me to give instances, when he notices that the *Age* is daily acting as the spokesman for Colonel Hoad?

Mr. SALMON.—That is not political influence.

Mr. KELLY.—The *Age* absolutely dictates the policy of the Government. Does it not exert political influence?

Mr. KENNEDY.—I thought it was contended that the Labour Party ran this Government.

Mr. KELLY.—I think that the honorable member for Laanecoorie will be the first to admit that the *Age* exercises an enormous influence—an overshadowing influence—in Victorian politics.

Mr. SALMON.—I do not call the *Age's* advocacy of Colonel Hoad's claims the exercise of political influence.

Mr. KELLY.—Does the honorable member deny the influence of the *Age* in Victorian politics?

Mr. SALMON.—I am not discussing that point.

Mr. KELLY.—I know that the honorable member would not for a moment deny it. The *Age* has strongly backed up the candidature of Colonel Hoad.

Mr. SALMON.—That is press influence. Give us some instances in which Colonel Hoad has attempted to use political influence?

Mr. KELLY.—Does the honorable member really want me to give him an instance?

Mr. SALMON.—Yes.

Mr. KELLY.—Then, since I have been pressed, I shall give an instance, although I am reluctant to introduce personal matters into this discussion. I met Colonel Hoad for the first time on a railway platform, when I was on my way to Sydney, and he was on his way to Japan. I spoke to him for a few minutes, and liked him. I am not sure whether it was a letter or a wire that I received from Colonel Hoad, before he left Rockhampton, wishing me farewell. Does the honorable member suggest that it was Colonel Hoad's intense appreciation of my personal qualities that led him to send me that telegram? The honorable member has asked me to explain what I mean, and I mention that as one instance. We do not want, in the position of an impartial administrator of the Defence Department, any one who pays any regard whatever to politicians or political developments. The Inspector-General must be an absolutely fearless critic of all that is happening in his great Department.

Mr. KENNEDY.—That telegram appears to have affected the honorable member very considerably.

Mr. KELLY.— Personal considerations never affect me in the discharge of my public duty. There are some persons whom they may affect, and I honestly believe that some persons have been so affected.

Mr. McCOLL.—In future we shall have to be careful when we are civil to the honorable member.

Mr. KELLY.—I had no wish to enter upon this question, but the honorable member for Laanecoorie has forced me into my

present position. Every one who has a good knowledge of the inner working of the Defence Department must be perfectly aware that what I say is correct.

Mr. SALMON.—What the honorable member has said will do more harm to himself than to Colonel Hoad.

Mr. KNOX.—I think that the honorable member will be sorry that he put such a construction upon a kindly act.

Mr. KELLY.—I do not see how it is possible to adopt the construction that honorable members are placing upon it. However, I shall not labour the matter; we can agree to differ. The honorable member for Maranoa and myself feel that, when we see a powerful newspaper urging the appointment of certain persons, it is necessary to stand up in our places in Parliament and say what we know about the matter. I do not care if certain honorable members feel that I have done something which does not reflect credit upon myself. I shall always stand up and do what I consider to be my duty, and, with all respect to honorable members, I cannot accept them as the keepers of my conscience in a matter of this kind. I wish to say this about Colonel Hoad: I believe that he is a very able administrator, but I believe, further, that he is constitutionally averse to accepting responsibility.

Mr. PAGE.—He has always shirked it.

Mr. KELLY.—I make this statement with a knowledge of the Department, and without any wish to injure it. I think that Colonel Hoad is an able officer, and I hope that he will rise to a high position in the Commonwealth Service. But, whilst admitting all Colonel Hoad's good qualities, I contend that the disqualifications to which I have referred absolutely unfit him for the position to which he aspires. In conclusion, I wish to ask the Government if they are yet in possession of the report of the Imperial Defence Committee, or whether they have received any forecast of the report? I think that certain recommendations are sure to be made. In my opinion, the Committee are certain to recommend that we should convert a number of our slow-firing hydro-pneumatic ordnance into quick-firing guns. The conversion of these weapons will involve a considerable amount of labour, and I wish to know whether the Government are taking any steps to prepare themselves for the changes which they know are sure to become necessary. One of the strongest

recommendations that we have ever had with regard to our Defence Department was that made by Major-General Sir Edward Hutton as to the necessity for creating a reserve for the Royal Australian Artillery. I hope that the Government are not losing sight of this question. I had several discussions with the Minister representing the Minister of Defence at the end of last session, and urged upon him a scheme for creating a reserve for the Royal Australian Artillery, practically without incurring additional expense. I should like to ask him whether he has done anything further in that direction. My suggestion was to utilize the anxiety which so many people in Australia evince to enter the Police Forces of the States for the national benefit. My scheme practically is to make some arrangement between the Commonwealth Government and the States authorities, whereby the one authority will give an undertaking to the States that will satisfy them that the men who are enlisted in the Royal Australian Artillery will be the type of men whom the Police Departments of the States require; and that, on the other hand, the Police Departments of the States will give an undertaking that they will always give priority of opportunity, when vacancies occur, to men who have been three years and upwards in the Royal Australian Artillery. Then my proposal is, that these men, having served in the Royal Australian Artillery, and having entered the Police Force of one of the States, shall continue on the reserve of the Royal Australian Artillery. One week in every year they would pass with the colours. The honorable member for Maranoa will agree with me, I think, that three years of training would be sufficient to turn out a thoroughly efficient gunner.

Mr. PAGE.—Hear, hear.

Mr. KELLY.—The men having been made efficient, a week's training every year would be sufficient to keep them efficient. The great point about this scheme is this—that in the Commonwealth, by a curious coincidence, we have our important fixed defences close to our great centres of population where the great bulk of the Police Force is stationed. So that the reserve of the Royal Australian Artillery serving in the Police Force of a State would be absolutely on the spot for service with the colours when their services were required.

Mr. CAMERON.—Who would guard our cities if the police were taken away for a week?

Mr. KELLY.—The honorable member surely does not suppose that we should take away all the police at once. We should take them in batches for training.

Mr. CAMERON.—A good many of them would be taken away from police duty, at any rate.

Mr. KELLY.—We should relieve some of them, certainly. But my honorable friend does not seem to be able to see the bundle of hay because of the needle. His is the smallest possible objection that could be raised to the scheme. The one great difficulty is to reconcile the Federal and States Departments, and to induce them to work together for the common interest. But I am satisfied, from inquiries which I have made, that the States Police Departments will probably be willing to come into some such arrangement when once they are satisfied that the class of men enlisted in the Royal Australian Artillery will, in future, be the class of men whom they require for the police.

Mr. WILSON.—In case of any civil trouble, could not citizens be enrolled as special constables?

Mr. PAGE.—In England they prefer military men on the reserve for the Police Force.

Mr. KELLY.—Of course, they do, and that, I think, would be the case here. The great point to remember is that it is impossible to make an efficient gunner in a day. A gunner is a highly trained man. You can create a special constable in a few days who will be quite good enough to tide over a week or two at a time of emergency. But you cannot create a gunner if an emergency arises.

Mr. CROUCH.—Does the honorable member think that the Police Force should be reserved for ex-artillerymen?

Mr. KELLY.—I do. If we could do that, I think it would be the best thing possible for us.

Mr. CROUCH.—I tried to get that done last year, and the honorable member voted against me. I tried to get the regulations altered for that purpose.

Mr. KELLY.—The honorable member is prepared to say that last year he was prepared to amend every regulation in the Military Department, but, as a matter of fact, *Hansard* shows that he simply proposed to deal with one or two matters.

Mr. CROUCH.—I mentioned that matter especially.

Mr. KELLY.—Perhaps the honorable member will get up and explain his scheme. I do not wish to quarrel with him as to the method by which we should get these things done. Personally, I think that the Government of the day is the authority that should do them. I do not think that either the honorable member or myself wants any kudos for this sort of thing. All that we want is to get our idea realized. This is a good thing. We can create a reserve practically without additional expense if only the Government will set to work to bring it about. I recommend the matter to the Minister's most earnest attention.

Mr. EWING (Richmond—Vice-President of the Executive Council) [6.6].—Before making any reference to the speech of the honorable member who has just resumed his seat, I desire to say that matters in connexion with the Post Office, to which allusion has been made, are being attended to. The deputy leader of the Opposition has referred to sweating in the Sydney office. The honorable member for Bourke has made frequent representations to the Government with regard to sweating in the Melbourne office. Perhaps I may remark that it is not necessary to take up the time of this House with departmental matters that any honorable member may wish to bring under the notice of the Government; because I shall be very glad, without parliamentary reference, to attend to any complaint in which wrong-doing is alleged, or to any claim which has legitimate merit behind it. I should not have risen at all to-night—because I think it is unwise to prejudice any case that is under consideration by discussion in this House—except for the frequent references which have been made during the debate to Colonel Hoad. The honorable member who has just resumed his seat has found considerable fault with that officer, although he has given no reasonable grounds to the House for so doing. There is one thing which we should always remember, and that is that we in this House, meeting each other face to face, are always more or less prepared to defend our opinions and actions from attack. But we should always be careful not to strike at a man who has no possible power of reply. We are all agreed upon that general principle. I am quite certain that the honorable member for Wentworth subscribes to it, and will agree with me that when he makes statements

with regard to Colonel Hoad, or any other officer, it is obligatory on him to prove them. The honorable member has alleged that Colonel Hoad is rather inclined to use political influence, and he tells us that he came to that conclusion for no better reason than that Colonel Hoad, when leaving for Japan, apparently being rather struck with the personal qualities of the honorable member, sent him a telegram bidding him farewell. I should regard an action of that kind as a delicate attention from one gentleman to another, and, in any case, there ought to be better grounds than that for such an attack as the honorable member has made. But, sir, it really comes to this: that whatever the present Government does—whether it appoints Colonel Hoad as Inspector-General, or whether it does not appoint him—whatever appointment is made, some fault will be found with it. There is no Napoleon Bonaparte offering for the post of Inspector-General of the Australian Forces. It is not contended that any man of such marvellous qualifications is available, however much we should like to have such an officer at our command.

Mr. PAGE.—What about the honorable gentleman himself?

Mr. EWING.—I am not available! Whatever appointment is made, to this or any other position—whether it be an Imperial officer or whether it be an officer of Australian birth—fault will be found with the decision of the Government. It is one of the reasons for the existence of the Opposition that it will find fault with the Government.

Mr. WILKS.—But the principal attack has come from the honorable member for Maranoa, who is one of the strongest supporters of the Government.

Mr. EWING.—I did not hear the whole of the honorable member's speech, but I am quite sure that it was distinguished by that reasonable style of delivery, and couched in that mellifluous language, that are usual with him. The Opposition must find fault with the Government. Whatever it does, it must expect that a considerable amount of fault will be found with it.

Mr. DUGALD THOMSON.—That is an encouragement of wrong-doing.

Mr. EWING.—That may be; but it is not possible for this Government to do wrong.

Mr. PAGE.—Will the Minister tell the House whether the statement which I made as to what Major-General Hutton said before leaving Australia is correct or not?

Mr. EWING.—I am quite satisfied that any statement that the honorable member makes while he sits on this side of the House must be correct. With regard to the report to which reference has been made, I have not seen it.

Mr. CROUCH.—Major-General Hutton said what the honorable member has stated.

Mr. EWING.—I presume if what is alleged was said, it is capable of proof. Dealing with the question of Board *versus* individual control, I have often asked myself the question whether the Board system is the right one. There are a considerable number of people in Great Britain and in this country who are strongly in favour of the Board method. There are others who believe in the individual system. Macaulay said somewhere in his *Essays*—I do not remember exactly where—that it was not possible to have a successful army under the control of a municipal council. I have come to the conclusion that if it were possible for Australia to obtain the services of a man capable of doing the work, and possible for Australia to be capable of trusting him to do it, that would be the best solution. But what is our experience with regard to these questions? Major-General Hutton came out to this country possessed of a considerable amount of experience. But how did he leave this country?

Mr. McCOLL.—With a considerable amount of odium.

Mr. EWING.—He was brought out to Australia with a great reputation behind him. He was a man of considerable ability, and of tried courage.

Mr. LIDDELL.—He was a strong man, and that is why they did not like him.

Mr. EWING.—While I am well aware that fault can be found with the Board system, I must point out that the other system has not proved to be too satisfactory.

Mr. WILKS.—Did we not have the same kind of trouble in New South Wales with Major-General French?

Mr. EWING.—Exactly; and I remember well that the same sort of experience to a less or greater degree has eventuated in New South Wales every time with regard to Imperial officers. They have always

proved unsatisfactory in the opinion of some parties. I would also remind the honorable member for Wentworth that, whatever may be said against the Board system, he is responsible for the introduction of it—that is, responsible with his leader, the right honorable member for East Sydney, who was Prime Minister when the Board system was instituted. Honorable members who are not satisfied, and who desire to go out of the country to find somebody to control our military affairs, should remember that a democracy is the worst form of government in the world for making war. If we had democracies in all countries we might have no more war, because we should forget how to prepare to fight. War cannot be carried on successfully under conditions where everybody insists upon knowing everything,—on everything that occurs being proclaimed to the world, and on your enemy being as well informed as to the movements of your army as you are yourself. I may observe that the same kind of trouble as has arisen in this country with regard to Imperial officers has also arisen in Canada. There, some time ago, the Government had serious differences with a distinguished officer, Lord Dundonald.

Mr. WILKS.—And previous to that they also had a quarrel with Major-General Hutton.

Mr. EWING.—Just so. Only recently in India there has been trouble between Lord Kitchener and the former Governor-General, Lord Curzon. There is constant quarrelling between the military and the civil power.

Mr. MALONEY.—The civil power must have control.

Mr. EWING.—Yes, as a final resort. When it becomes a matter of controlling an army in a belligerent democracy the problem is still more difficult. I offer these suggestions to show the difficulty that besets this question. I ask those who are so satisfied with the old system to contemplate matters as they are to-day. The honorable member for Wentworth believes that everything wrong in connexion with our Military Forces has happened since this Government came into office, and since the Board has been in existence. For a considerable number of years we have imported from Great Britain the ablest men we could get for the money, and with what result? After the occupancy of the highest post by these gentlemen for

many decades—and able men many of them were—the result has been disorganization of the worst and most expensive kind. There are in existence about twenty kinds of guns. When this Government took office we found that the total number of modern rifles in the country was, I think, 40,000 or 50,000. There seems to have been little money available for any purpose of that kind while the management was under the control of these admittedly able military men. We had very few citizen soldiers. In a democracy I can understand the difficulty in regard to the finished article. A finished soldier will cost from £120 to £150 a year, but in times of peace a democracy will not pay for that class of training. The wiser course would be to increase the number very materially, and have what might be called a large, partially-paid citizen soldiery. Great scorn is heaped upon that idea by a considerable number of military men, but any one who has had the opportunity of reading Wellington's opinion about recently raised levies, and the statements made in later days by General Roberts, must come to the conclusion that a Government is acting wisely in endeavouring to provide a large reserve of fairly or partially-trained men, who are able to use a rifle, to be drawn upon in time of war.

Mr. HUME COOK.—And to do what the recruits did in America.

Mr. EWING.—I do not for a moment compare a citizen force with a trained military force, any more than I would compare a trained man with a pugilist. The result brought about by the training of men—atoms all working together under control, and knowing what they are to do, and doing it promptly—must be exactly the same as the result brought about by the training of a raw horse to be eventually a racehorse. Under the control of able officers from England, we have had but a very small citizen soldiery, a very few junior cadets, and no senior cadets. All these things are essential, but apparently they have not been dealt with as essentials by the able men we have had.

Mr. CROUCH.—What is it intended to do with the senior cadets?

Mr. EWING.—It is intended to train them, and we hope that eventually that will be the best recruiting ground we can have for younger officers. I do not desire to say any more with regard to this matter. I have said enough to show honorable mem-

bers that the blame does not lie at the door of the present Government.

Mr. HENRY WILLIS.—The honorable gentleman has done very well, but he has not shown that.

Mr. EWING.—I have shown that the state of things was worse before we came into office, and that during our time we have done much along the lines of definite progress.

Mr. DUGALD THOMSON.—Has the strength of the Forces increased?

Mr. EWING.—I think it has increased, at any rate, it is on the up-grade now. I do not wish to bring the Government too prominently into the discussion, because I feel that the question of defence ought to cause us to cast aside all obligations of party.

Mr. DUGALD THOMSON.—I meant, has the strength of the Forces increased since Federation was inaugurated?

Mr. EWING.—I believe so. It certainly has increased during the past year or so. We are at a crucial period with regard to defence. The Government will be prepared to accept advice from any honorable member opposite, and, if it be proved to be wise, glad to act upon it. We ask honorable members to approach the question of the defence of Australia in no captious way. Some of the inquiries which have taken place, and the questions which have been asked in the House, might have better been left alone. Let honorable members trust the Minister of Defence, and believe that he is desirous of doing the very best he can; let them not heckle him, but try to advise him; let them not find fault ungenerously with him, but go to him individually, and point out plainly what they desire. I am quite satisfied that if they make any representations in the interest of the country, he will endeavour to meet their views. We know that there are two things which must be done. Our country must be developed and must be defended. I am not inconsiderate enough to say that the Opposition do not desire to defend the country in exactly the same way as we do. There is as much loyalty among honorable members opposite as there is on the Government side of the Chamber, and I hope that in approaching these problems, and the difficulty of an appointment such as will come under the purview of the Government, they will give us the benefit, not of their captious criticism, but of their reasonable aid. It does

appear to me that Australia, with a population of 4,000,000, ought very soon to be able to breed men fit to control its Forces.

Mr. HENRY WILLIS.—Oh, no.

Mr. EWING.—The native born, grant that, after all, we have only one test, and that is the test of merit and ability, and the best man for a position should get it. I would put no embargo upon a man because he was not an Australian, but if I had an Australian who was fit for the work, irrespective of any opposition, and any risk, I would give it to him, and expect to get the aid of all reasonable men in so doing.

Mr. WILKS.—Have we grown an Administrator for New Guinea?

Mr. EWING.—I do not desire to enter into a dissertation in regard to problematical matters. I am speaking on general principles. The man who can best represent a district is one interested therein. And the man who will do best for a country is a man identified therewith. Whatever the country has to give should be given to a native-born citizen, if he has fitted himself for it. Given no advantage, but a fair field, if the native-born man is fit for a position, let him have it. I shall say no more now with regard to this question. I ask honorable members for a generous consideration of any action which the Government may take. We do not desire to avoid their criticism, but we ask them above all things to act fairly, reasonably, and honorably to men who are not here to defend themselves.

Mr. LIDDELL (Hunter) [6.22].—I have listened with considerable pleasure to the able speech of the honorable gentleman who represents the Minister of Defence here.

Mr. WILKS.—I think it was marked with political bias once or twice.

Mr. LIDDELL.—I would not say that it was a speech marked with political bias, but I would say that it was a speech of a specious character. No doubt he would like to see the Opposition much more pacific than it is. But for what purpose does an Opposition exist if it is not to watch very carefully the action of those who are in power, and, if necessary, to attain its ends by heckling them? I am very pleased indeed that the honorable member for Richmond is here, because I am particularly anxious to draw his attention to one or two matters connected with my electorate. It appears that grievance day is looked upon somewhat in the light of a joke; but

the grievances which I have to ventilate are of a very serious kind. In the short speech of the honorable member for Richmond we have heard a great deal about the necessity of raising an army of citizen soldiers, who would be capable of defending Australia in time of war. I was glad to hear the Minister say that, in his opinion, these men should be taught to shoot. Since the Government have been in power what have they been doing to assist in that direction? Almost ever since I entered the House I have been working with the object of obtaining shooting facilities in my electorate. I am glad to say that, after Herculean efforts on my part, I have succeeded in getting one town, and a most important town, too, supplied with the necessary facilities. But I would remind the Minister that in my electorate there is more than one important town—in fact, there are several. I wish to know what has become of a certain sum which I believe was set aside for the purpose of establishing a troop of light horse in the township of Dungog. The men we have to-day prepared to defend our shores are so loyal in character that it is almost impossible to get any information from them. If I ask any of them to give me information, I am met with the reply, "It is contrary to the regulations, and, although we know that very many grievances exist, we regret very much that, owing to the oath we have taken, we are unable to give you any information." Consequently, it was only with the greatest difficulty that I was able to ascertain what I wished to know. I will not say where I obtained my information, but on very good authority I have reason for believing that the officer commanding the forces recommended that a troop of light horse be raised in Dungog, and that a certain sum was set apart for that purpose. What has become of the money, and why has not the troop been raised? The township, I may say, is situated on the Williams River, about thirty miles from West Maitland. It is an ideal spot, picturesque in the extreme. It lies within a valley surrounded by hills, and has a thrifty, industrious population. It is surrounded by a number of dairy farms, in which are found the very class of men from whom we must expect to raise our citizen forces. They have the horses, and, what is more, can ride them. They have the pluck which is necessary to make a good soldier, and also the spirit of sport which is a requisite for making a good

fighting man. They were given to understand that a troop of light horse would be raised there, and made every preparation for enrolling. I know that an officer was sent up to report on the situation, and he found that close to the township there was an excellent stretch of country available for a rifle range, which there would be no difficulty in obtaining, because it was Crown land.

Sitting suspended from 6.30 to 7.30 p.m.

Mr. LIDDELL.—Before dinner, I was speaking on the subject of rifle ranges, and was directing the attention of the Minister representing the Minister of Defence to the fact that there is every facility at Dungog, in my electorate, for the establishment of a troop of light horse, and for the formation of a satisfactory rifle range. The land suggested for a range is Crown property, and there would, consequently, be no difficulty in resuming it. There would be no danger from stray bullets, because the land for several miles beyond the place suggested for the butts is practically unoccupied. The area of the land is considerable, and on it a range of 1,000 yards might easily be provided for. I have already said that the district is one from which very desirable recruits might be obtained. I ask the Minister to lay on the table, or to permit me to see, the report of the Officer Commanding in the district, so that I may be assured that the raising of a troop at Dungog was actually recommended. There is another town situated on the river in my electorate where a troop of light horse has been raised. I refer to Raymond Terrace. There are in the troop two very efficient officers, who served with credit in the war in South Africa, and there is commendable military enthusiasm being shown by the residents of the district. I may add that this particular town is of great importance, from a strategic point of view. It is not very far from the port of Newcastle, and, in the event of an attempt by a hostile force to seize our coal-fields, a body of residents of this district, possessed of some military training, would form a most efficient defensive force. Strange to say, there is no rifle range within any reasonable distance at which the corps raised at Raymond Terrace may practice rifle shooting. They must travel a distance of from 10 to 15 miles to reach the nearest rifle range.

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Mr. McDONALD.—Men have to go 20, 30, and 50 miles in North Queensland for practice on a rifle range.

Mr. LIDDELL.—Queensland is a country of magnificent distances; but I am speaking of a district in which we have closer settlement, and consequently expect better facilities. The land for a rifle range at this place could be secured without cost. A patriotic citizen—and I only wish there were more of them—Mr. G. H. Pepper, has actually offered the necessary land as a free gift to the Government, and they will not accept it. The portion offered is a strip three-quarters of a mile wide, but because the land which would be situated behind the site suggested for the butts happens to be private property, the Government are unwilling to go to the expense of its resumption. The land which would require to be resumed comprises 16 acres, and its value, I am told, is something under £1 per acre. For want of a penn'orth of tar, which the £16 might be said to represent, the men forming the troop of light horse established at Raymond Terrace are denied facilities for acquiring the necessary skill in rifle shooting. Again, in West Maitland, the chief town of my electorate, the rifle range has been closed for some time. Letter after letter has been sent to the Department, and the usual reply has been forwarded on the printed forms which are so irritating to honorable members, to the effect that the communication has been received, and will be considered. Here there is another force of citizen soldiers who are deprived of facilities for the practice necessary to qualify them as rifle shots.

Mr. EWING.—Why. was the range closed?

Mr. LIDDELL.—It was closed, I believe, for the purpose, originally, of making some slight alteration, but, owing to the abominable system of red-tape existing in the Department, week after week and month after month has been allowed to pass by without anything being done, when if the proper officer gave the necessary authority the whole matter could be settled in three days. The Minister has stated his belief that men should be taught how to shoot. In fact, the honorable gentleman stakes the welfare of the country on the raising of a force of men who have been taught to shoot. He agrees with Lord Roberts and other experts that what we require is a citizen soldiery, com-

prised of men who can shoot well; yet in my electorate, which is comparatively but a small proportion of the Commonwealth, there are no less than three localities at which the facilities afforded for the practice of rifle shooting are not what they ought to be. I direct the attention of the Minister to the fact, and I hope he will see that these serious grievances are remedied. I pass from the Defence Department to the Postmaster-General's Department. I am sorry that the Postmaster-General is still absent. We heard the other day that he had arrived at Fremantle, but how much further he has travelled on his journey I do not know. I ask the Acting Postmaster-General if he will direct the attention of his officers to the need for a telephone at a place called Farleigh. Some three or four times in each week there are very large sales of stock held at West Maitland, and in connexion with these sales it is necessary that enormous numbers of stock should be trucked from the trucking yards at Farleigh, which is a small railway station situated about three miles from the saleyards at West Maitland. The auctioneers who do business at these trucking yards, and there are a great many of them, bitterly complain that they are unable to communicate with their headquarters over the telephone wires. The majority of them have private telephones in their offices at West Maitland, and their clerks and workmen, when engaged at Farleigh, are unable to communicate with them except by telegraph. A communication by telegraph, I am told, has to be sent not less than thirty miles to Singleton, and thirty miles back, before it reaches the auctioneer's office in West Maitland, which, as I have said, is only three miles from the trucking yards. The Acting Postmaster-General will remember that I have already brought this matter under his notice, and have represented that it is necessary only to run a line for a few yards from the trucking yards to connect with a line running along the railway line in order to establish the communication desired. The Department, however, has declined to provide this facility at Farleigh. I ask the honorable gentleman now if he will bring his gigantic intellect to bear upon this very small matter, and see whether the concession asked for might not be made. There is another matter to which I should like to refer. It might be considered trivial, but it shows the amount of red-tape in the Department which gives rise to such serious delays as

are complained of. If at any place a telephone silence cabinet is required, instead of giving the work to some local workmen, plans have to be drawn up, reports sent backwards and forwards, and eventually a huge structure arrives in the shape of a plate-glass telephone cabinet. It has repeatedly happened that, when these cabinets have arrived, they could not be taken through the doors of the local offices, and they have had, in consequence, to be returned to Sydney to be altered, so that they would fit the small offices for which they were intended. I suggest to the Minister that these minor departmental wants might very easily be attended to locally. Passing from purely local matters, I desire to say something on the question of the grading of butter. I do so, not because I know much of the subject, as I am sorry to say that I have not made a study of butter, but because there is in my electorate a very large number of dairying companies and factories, the Hunter district being peculiarly suitable for the production of butter, and for the conduct of the dairying industry generally. When I learn that the directors of no less than fifty factories in New South Wales, representing three-fourths of the whole of the factories in the State, have sent in a petition against the grading of butter, I feel that it is my duty to raise my voice in this House against the proposal. These factories represent an output of no less than 31,584,000 lbs. of butter per year. When the Commerce Bill was being discussed, we were given to understand that this system of grading would not be enforced.

Mr. LONSDALE.—The honorable member for Richmond said so.

Mr. LIDDELL.—It was most distinctly promised. If any evidence of the fact be necessary, one has only to turn to the pages of *Hansard*, to prove conclusively that we were entirely misled in this House by the Minister, when he assured us that no grading would be introduced under the Commerce Bill.

Mr. KENNEDY.—Has grading been introduced?

Mr. LONSDALE.—The Minister is preparing regulations for its introduction.

Mr. LIDDELL.—At page 1180 of *Hansard* for last year, the Minister of Trade and Customs, speaking on the Commerce Bill, said—

We intend to grade in this way. The exporter will have to mark his goods as what they are—that will grade them.

That was a very reasonable remark to make. There did not seem to be any harm in it. The honorable and learned member for Wannon interjected—

The Minister distinctly stated that the Government meant to grade.

and to that, the Minister of Trade and Customs replied—

I did not. I said that goods would have to be branded.

What the honorable gentleman meant by that, I do not know. Further on, at page 1184, I find that the honorable member for Dalley made this remark—

The Minister of Trade and Customs who has two colleagues in direct opposition to him on the subject, says that this Bill provides for grading.

To that the honorable gentleman replied—

I did not. The honorable member should not misinterpret what I said.

Could anything be plainer than that. At page 1189, it will be found that the honorable gentleman further said—

The exportation of articles which are properly described will not be interfered with unless they are unfit for human consumption.

Why is it, then, that the dairying industry is the only industry that it is proposed to interfere with. At page 2412, I find that the honorable gentleman said—

Between now and then I hope to make arrangements with those who are likely to be affected, which will enable the Department to prepare trade descriptions which will not cause friction.

Could anything be more reasonable. But what is the result to-day? This system of grading is going to be forced on us? Further, Sir William Lyne said—

Honorable members opposite may call it what they like. They have been trying to make out that the object of this Bill is to apply to goods, such terms as "Grade 1," "Grade 2," "Grade 3," "Grade 4," and so on. But they know perfectly well that there is no intention to do anything of the kind at present

My own opinion is that it is entirely unnecessary to grade butter. It has been found that butter may easily deteriorate on its passage to England, and, consequently, no matter what grade may be put upon it, that grade has no relative value in the old country. Any one familiar with the trade knows that buyers at Home place no reliance whatever on the grade, but choose the butter in the light of their experience, by taste and so forth. I should like to draw the attention of honorable members to an extract from the sworn evidence of Mr. J. W. Sinclair, late Superintendent of Ex-

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ports for the State of Victoria in London, given before the Royal Commission on the butter industry. Mr. Sinclair said—

In London I found that there were divergent opinions in regard to the New Zealand butter system. One New Zealand importer told me that he had sometimes found their second quality was equal to the first, although it was classified as second. You can never tell what the butter is like until it gets to the other side, and it does not matter if it bears the first grade brand, if it is second quality it will fetch the second quality price. Buyers have their own opinion, and they pay no attention to the Government stamp; they look at the article itself. All these large houses have experts for the purchase of butter, the same as for tea.

That proves conclusively that buyers place no reliance whatever on the grading. Mr. Robert Crowe, Government Dairy Expert, gave the following evidence before the same Commission:—

You agree with Mr. Taverner that this stamp is not regarded as of much value to the butter when it goes Home?—No; it simply shows that the butter was inspected.

A large trade, which is likely to increase to enormous proportions, is springing up with the South African Colonies. In fact, I think it might almost be said that one of the reasons why the war in South Africa was prosecuted with such vigor, and was assisted to such an extent by Australia, was because it was recognised that South Africa was a field for our commerce.

Mr. RONALD.—What nonsense!

Mr. LIDDELL.—It is all very well to characterize my remarks as nonsense; but in these matters one has always to look far beyond ordinary sentiment. I know that the honorable member for Southern Melbourne, from his profession, is naturally inclined to be somewhat sentimental; but, as I say, we must look beyond sentiment. When we come to bed-rock, we always find an element of trade associated with any war. The history of England is proof of that statement, so much so, that we have the common saying that trade follows the flag. It is likely that the grading system would seriously interfere with our trade in South Africa; and I have here an extract which deals with an aspect of the question not before touched upon. It is from a local newspaper, and reads as follows:—

According to regulations as published, butter must not be submitted for grading at a temperature under 40 degrees, and must be shipped within fourteen days after grading. This is a very serious regulation, and, if in force, will cause enormous losses of business to South

Africa and other foreign ports, where we are in keen competition with Argentine, New Zealand, America, and European butter-producing countries. Orders are often received for large quantities of butter, to be shipped in pats or bulk, say, four, six, or eight weeks hence, sometimes several thousand cases, which it may require up to six or eight weeks to complete, and certainly no firm or companies in Victoria could execute such orders in the time stipulated under the proposed conditions, which actually leave little more than one week for packing, as it requires from four to five days to freeze and ship the butter. We desire to point out that the South African trade is done entirely on a different basis to London trade, contracts being often entered into for terms of from six to twelve months, with instructions to pack the butter and place it in cool store, awaiting instructions to ship at periods and in quantities as required. At present butter is packed and placed in cool store until date of shipment, which has no detrimental effect on the butter, and has given every satisfaction to the foreign buyers. If the present system is interfered with, it will mean the loss of a very large South African trade, which amounts up to 2,500 tons per annum from Victoria alone.

I do not wonder that protests are being received against the grading of butter, because both the Argentine and New Zealand are keen competitors in this trade. There is one other matter on which I should like to touch, namely, the opium traffic. I call the attention of the Minister of Trade and Customs to the fact that in the report which was placed in our hands a couple of days ago, Dr. Roth, who is a civil servant of the Queensland Government, states that the aborigines are being supplied to-day with opium in large quantities, which is having a very bad effect on the consumer. The smoking of opium, or the drinking of water in which opium ash has been dissolved, is the cause of serious physical, mental, and moral degeneration; and, consequently, it is the duty of the Minister of Trade and Customs to prevent, if possible, the importation of opium in any form whatever—either solid or as ash. I believe that at present permits are actually being issued to Chinamen, who are thus enabled to import opium in as large a quantity as they desire.

Mr. WILSON.—Is that so? The Minister of Trade and Customs has just entered the Chamber, and may have something to say on that point.

Mr. LIDDELL.—I am glad that the Minister has arrived; and I am quite sure that he will take my remarks in good part, seeing that they are meant entirely for the benefit of unfortunate blackfellows.

Sir WILLIAM LYNE. — Are those the blackfellows in the back-blocks the honorable member talked about on a previous occasion?

Mr. LIDDELL.—They are blackfellows who happen to live in the back-blocks. Dr. Roth distinctly states that permits have been granted to Chinamen to sell and supply opium to the Chinese in Queensland.

Mr. WILSON.—Surely not since the Act was passed?

Mr. LIDDELL.—Dr. Roth was asked—

Have any of these permits been issued since Federation?

Mr. DEAKIN.—Since Federation, but not since the passing of the Act of which the honorable member for Corangamite speaks.

Mr. LIDDELL.—I do not think that permits have been issued since that Act was passed.

Mr. DEAKIN.—The permits have been cancelled.

Mr. LIDDELL.—Dr. Roth, in reply to the question, said:—

In 1898, 165 were issued; in 1899, 8; in 1900, 21; in 1901, 10; in 1902, 6; in 1903, 1; and in 1904, 1. I find that the permit issued last year was granted to the partner of a man to whom a licence was issued in 1898. These permits are illegal. I have called them illegal in my annual reports.

These permits ought to be cancelled, because they are totally illegal and contrary even to the State law in Queensland. By the State law permits are issued to chemists, medical men, and drug manufacturers, but it is contrary to the law to issue them to Chinamen. I draw the attention of the Minister of Trade and Customs to this matter, with the object of having these licences annulled. This is not a question of revenue, because the only charge made is one of 2s. 6d. for twelve forms, which are necessary to enable the licensees to make certain returns. From what I have seen of the present Minister's administration in the past I am perfectly satisfied that he has only to speak the word to have this traffic immediately stopped. Returning to postal matters, I may say that to-day I have received a letter from certain residents of a district in my electorate called Monkerai. Some months ago a petition was sent to the authorities asking that a receiving office might be established at this particular place, and on the 8th January a reply was received simply refusing the request. A second petition was forwarded, and was granted on the 5th June on

certain conditions. The Department, it is stated, are willing to pay £9 per annum towards the cost of carrying the mails, and £1 as a nominal allowance for the services of a receiving office-keeper, any additional expense to be paid by the residents. In their letter to-day the residents contend that such an arrangement is entirely out of the question. The letter contains the following:—

That arrangement is quite impracticable, as our population (principally of the mining class) fluctuates a great deal, and it would be very difficult to collect that amount. I would also bring under your notice that population is increasing, and several new quartz claims are being taken up and about being worked, and especially the Loch Lomond Gold Mining Company are erecting a complete crushing plant, with all the latest improvements, and will employ about 50 hands. The receiving of our correspondence is extremely spasmodic, as it all depends if any person has occasion to go down that way, and sometimes, if no one is going, we do not get our letters, perhaps, for two or three days. Under the circumstances, I, on behalf of the inhabitants here, earnestly request you to kindly lay the matter before the hon. Postmaster-General, and have the prayer of the petition granted.

I beg the Postmaster-General to give some attention to this last grievance which I have to bring under the notice of the House.

Mr. MALONEY (Melbourne) [8].—I have only a few words to say; indeed, I should not have spoken to-night had there not been, as I understand, an attack made on Colonel Hoad. As in a previous session I made an attack on this officer, which might almost be termed bitter, it is my duty to say to-night that when I afterwards made inquiries I saw from the evidence placed before me that my statement in regard to his leaving Japan was wrong. I further learned that officers and men who had served under Colonel Hoad spoke of him in the highest terms as an officer. Therefore, I make the statement to-night that, on full inquiry, I find that Colonel Hoad is a good, sterling man, and, as an Australian, I should be glad to see him elevated to the high position suggested. I do not voice the cry of "Australia for the Australians" in any narrow-minded spirit. I would extend the hand of welcome to any European who would hold up his hand and say that he was prepared to fight for Australia. At the same time, the system of importing officers from England—officers such as those who showed, in the late lamentable war in South Africa, that they were not up to their work—is the height of absurdity. Our men held their

own against the British officers during that miserable and wicked war, and it is time that we stood up for Australians and gave them the highest positions that they have the brains and capacity to fill. I understand that the honorable member for Wentworth actually accused Colonel Hoad of using political influence. When the honorable member for Laanecoorie challenged him, what was the miserable response? He told the House that Colonel Hoad, upon leaving Australia for Japan, had actually sent him a friendly telegram bidding him "Good bye." If such an action is to be construed as an attempt to use political influence, we shall have to ask all officers who are departing from us not to leave their P.P.C. cards on our tables, or to send us any telegrams or letters of farewell. I am very glad that the honorable member's statement was challenged, and that it was demonstrated that his charge rested on the flimsiest of grounds. Our Australian Forces have not reached the high standard that we could wish, and we might very well take example from that country which is regarded by the highest experts as the military schoolhouse of Europe, namely, Switzerland. One authority has declared that Switzerland can, within three days, concentrate upon any part of its frontier, 250,000 men, perfectly disciplined, and with an equipment complete in every detail. Such a feat could not be performed by Great Britain, although her soldiers cost her £77 per head, as against £9 per head in Switzerland. Surely we have enough patriotism amongst us to enable us to establish a force of citizen soldiers which would efficiently guard our hearths and homes. I am sure that no honorable member desires that we should be ruled by military bureaucrats. We do not want to have amongst us a number of military snobs or gilded-spurred roosters, as the honorable member for Darwin calls them. On one occasion, an officer had the impertinence to tell me that he could not find in Melbourne or Sydney a tailor who was capable of making his uniforms. He had to import them, and he said, "That blessed Commonwealth Government makes me pay duty on them." He did not know who I was. When he asked me for my opinion, I told him that we did not want clothes props to fight our battles. We wanted men who could shoot straight, and who would not be afraid to die, if necessary: men whose fighting qualities would

not be affected if their collars were not quite as clean as some of their dandy officers might desire. The most difficult uniform to make properly is that worn by the Victorian Highland Regiment, and there are tailors in Melbourne who can make the uniforms for that corps as well as they can be turned out in the old country. I have paid my meed of praise to Colonel Hoad, of whom I have heard an excellent report. He is creating a good impression throughout Victoria by his action in devoting his spare evenings to delivering lectures which it is worth any one's while to attend, and if he is chosen for the high position of Inspector-General of the Defence Forces, I am sure that he will fill it with credit to himself and honour to the country to which he belongs. I should like to claim the attention of the Prime Minister for a few moments. There is a general feeling in Victoria that those who brought reproach on our Australian character by adopting the infamous practices disclosed in the course of the inquiry conducted by the Butter Commission, are likely to escape punishment. I understand that the State Parliament will not take any action, but I trust that in the interests of justice, and of our reputation as a community, the guilty persons will receive their desserts. One eminent legal authority has expressed the opinion that certain men ought to be prosecuted, and I have no hesitation in saying that some of them should occupy a place in Pentridge. They should at least be compelled to disgorge the money of which they robbed the dairy farmers of Victoria. Although the Butter Commission no doubt cost a considerable sum of money, it has resulted in a saving of upwards of £50,000 per annum to the farmers of Victoria. Some of the large ocean shipping companies emerged from that inquiry with disgrace upon them. Among these was the Peninsular and Oriental Steam Navigation Company, which Mr. Ritchie, when he was President of the Board of Trade under the Balfour-Salisbury Administration, threatened to criminally prosecute if they continued to break the law. They allowed the Lascars employed on their steamers only 36 cubic feet of space each in their quarters—hardly double the space that would be represented by a decent-sized coffin. The Board of Trade allowance was 120 cubic feet. Mr. Ritchie declared on 12th May, 1900—his words were published in the *London Times*—that it had not been for want of warning or for want of continual objection

on the part of the Board of Trade that the Peninsular and Oriental Steam Navigation Company had not ceased to break the laws of the country. He said that they had been fined repeatedly, and that he would be compelled to prosecute them criminally if they did not mend their ways. The company was punished for not paying regard to the representations of the authorities by being prevented from taking away a certain amount of cargo in their steamers.

Sir JOHN FORREST.—That has all been altered now.

Mr. MALONEY.—I am very glad to hear it. Admiral Field, who was no labour man, stated on one occasion that he would not vote against the Government, but that, on the other hand, he would not vote for them, because he believed that by their policy they were trying to destroy the naval supremacy of England. He pointed out that it could not be expected that 75,000 Lascars and foreigners who were employed in the British mercantile marine would fight the battles of England, and that landsmen could not do it because they had not been trained as sailors. It was shown that the Peninsular and Oriental Steam Navigation Company was one of the worst offenders in the whole world in regard to doing away with the employment of British seamen on British ships. I hope that under the new arrangement for the carriage of our mails, we shall be able to sweep aside the Peninsular and Oriental Steam Navigation Company. I have followed their history very closely for the past sixteen years, and I say without hesitation that we have not to thank them for the improved facilities that have been afforded for the carriage of our mails. It was the Orient Steam Navigation Company, which employed white seamen on its steamers, that first compelled the Peninsular and Oriental Steam Navigation Company to shorten the trip between Australia and the old country. Every time we wanted an accelerated mail service, we had to fight the Peninsular and Oriental Steam Navigation Company. Therefore, we owe them nothing, whereas they owe much to us. They will not bring to us the bone and sinew of England. They do not carry common third class passengers—the class of men who have made Australia. Those who are familiar with the circumstances under which Australia has been peopled and developed know full well that we owe more to those who came out here as third

class passengers than to those who were conveyed here in the saloon. We do not want to perpetuate this absurd system of dividing people up into classes. The noblest aspirations of the British race will find expression in this great country, which we want to make a white man's land. I compliment the Government upon having made an arrangement for the carriage of our mails, apart from the Peninsular and Oriental Steam Navigation Company. I trust that we shall be able to put a cross against the name of that company, and that in future our mails will be carried solely in steamers manned by white labour.

Mr. HENRY WILLIS (Robertson) [8.11].—I regret that the Postmaster-General has not been present to hear what has been stated by honorable members with regard to the shortcomings of the postal service. The honorable member for Hunter referred to the dilatoriness with which letters were delivered in various parts of his electorate. Similar remarks would apply to all the country towns throughout the Commonwealth. It appears to be the policy of the Government to make the Postal Department pay its way. I do not think that that principle should be applied to the country mail services, particularly to those in the wilds of Australia. If it were rigidly insisted upon residents in the back-blocks would receive their letters about four times per annum, and many of them would pick up their correspondence at the dead-letter office when they came to the city after a long period of residence in the outlying districts. In the country districts the postal service is about as bad as it could possibly be. In the cities and suburbs the service not only pays its way, but leaves something to spare, and I believe that the Department as a whole shows a surplus. Yet the Postmaster-General apparently will not grant a service unless it is shown that the revenue derived from it will very closely approach the outlay involved.

Mr. WILKS.—Whom does the honorable member blame for that?

Mr. HENRY WILLIS.—Chiefly the officials who advise the Minister. When the honorable member for Denison occupied the position of Postmaster-General he looked into every application himself, and declined to be bound by the advice of his officers in matters regarding which his judgment could fairly be exercised.

Mr. FISHER.—Why attack the officers? Why does not the honorable member attack

the Minister? The officers have nothing to do with the policy of the administration.

Mr. HENRY WILLIS.—I was asked how I account for the state of things of which I complain, and I say that it is due to the incompetence of the officers. The honorable member interjects in a very superior tone; but is it not part of our work to vote the salaries of the public servants, and, where the men at the head of affairs are not competent, to single them out for removal from office? The Public Service of the Commonwealth is governed by incompetent men, advising incompetent Ministers, who have not the remotest notion how to manage their Departments on their own initiative. If one goes to the Department to interview the Minister, that honorable gentleman at once sends for his officers, and mere youngsters, of ages ranging from sixteen or seventeen upwards, are found advising him on trivial matters, which his own judgment should enable him to determine, without a consultation with under-strappers.

Mr. TUDOR.—Is the honorable member referring to the Postal Department?

Mr. HENRY WILLIS.—Yes, though perhaps the same remark would apply to other Departments of the Commonwealth service, too. Balmain has been spoken of as a district in which the postal service is as good as it should be, but I know that one can post a letter at Mosman, another suburb of Sydney, on the Saturday, and it will not be delivered at a place only 50 miles from the metropolis by railway before the following Tuesday morning. As a matter of fact, one Sunday a few days ago I sent a messenger from that suburb to the General Post Office, a distance of some miles, to post a letter to the place of which I am speaking, but, although he did so, and paid another penny as additional postage, the letter did not arrive until the following Tuesday. Indeed, I got to the place as soon as the letter did, although it was written to announce my intention of going there.

Mr. TUDOR.—The honorable member must have used the motor of the honorable member for Wentworth.

Mr. HENRY WILLIS.—I could have walked in the time it took to convey the letter there. This is not an isolated case. Who should be called to account for the maladministration which makes these delays possible? The matter is too trivial for the Minister to attend to himself; but

should not the officer at the head of the Department in Sydney see that all under him are carrying out their duties satisfactorily and expeditiously, and that business-like methods are being pursued. Similar delays occur in the transmission of telegrams, and one may sometimes travel 100 miles and arrive at his destination before a telegram despatched to the same place is received. The Post and Telegraph Department of the Commonwealth is badly managed. As a sample of business incapacity, I will quote the regulation issued on the 14th June last with respect to the payment of overdue postal notes. That regulation is as follows:—

A postal note presented for payment after six months from the last day of the month of issue, shall not be paid until reference has been made to the chief money order office of the State of issue, and shall be cashed only at the General Post Office of the State of payment, and on payment of a commission equal to the amount of the original poundage, for each period of six months, or portion thereof, beyond the first six months from the month of issue; the amount of such commission must be affixed in unobliterated and unperforated postage stamps of the State of payment to the face of the note.

Postal notes are issued in various denominations for amounts ranging from 6d. to £1, and are largely used by persons in the back country, where, being negotiable, they are frequently put into circulation, and treated much in the same way as are bank notes. Yet the Department says that if they are kept in circulation for more than six months a fine shall be imposed when they are presented for payment. What reason is there for imposing this fine? The Commonwealth receives a very high commission on the notes when issued, and it is certainly no disadvantage to the Department, but rather a gain, that they should be kept in circulation, whilst it is also a convenience to those who use them to be able to pass them on freely like other negotiable instruments. I have in my possession several postal notes, which I have held for years in trust, because I wish to hand them over exactly as I received them, and, in all probability, they will remain in my safe for five years to come.

Mr. EWING.—That is a very rare case.

Mr. HENRY WILLIS.—It is not a rare thing for postal notes to be in circulation in the back country for a very long period. I have seen New South Wales postal notes in South Australia, and always advise persons having them to treat them as negotiable instruments. Personally, I never cash

a postal note for a few shillings, because such notes are convenient to keep in one's possession. There is no reason whatever for the fine provided for in the regulation which I have read, and I hope that the Minister in charge of the Department will look into the matter, and see that the public are not deprived of a legitimate convenience. A good deal has been said during this debate about matters of defence. The honorable and learned member for Corio this afternoon asked this very important question—

Whether, in the appointment of an Inspector-General for the Military Forces, the Minister for Defence will adhere to his announcement that all appointments in the Australian Forces are to be made from Australians?

The answer given by the Minister representing the Minister of Defence was "Yes." Now, I am an Australian, and believe that Australians generally have as much intelligence as any other body of people in the world; but the fact that a man is an Australian does not of itself qualify him to assume control of our Military and Naval Forces. Whoever is appointed Inspector-General should be a professional military man, who has devoted his life to the study of military tactics and strategy. He should be a mathematician, and an engineer, and not only have passed creditably examinations to test his study of text-books, but have proved on the field his competence to take charge of men. Will any one say that a man educated merely in civil subjects, even though he may have acquired a university degree, is capable of taking command of the Australian Army because he has followed military pursuits as a side line. The Government seem to regard the question of defence as a play-thing, notwithstanding that we have spent hundreds of thousands of pounds in trying to educate our citizens in the art of warfare, and to provide ammunition in case of attacks.

Sir WILLIAM LYNE.—How can we do that under free-trade?

Mr. HENRY WILLIS.—It might better be asked how can we do it under protection, seeing that it is the policy of protectionists to keep out imports.

Sir WILLIAM LYNE.—The free-traders will not allow us to establish steel works here, so that we cannot make our own guns.

Mr. HENRY WILLIS.—Does the Minister think that we in Australia can make

guns equal to those made by Krupp, in Germany, or Armstrong, in England? This country is merely in its infancy yet.

Mr. WILSON.—Did they not make a gun in Kimberley during actual warfare?

Mr. HENRY WILLIS.—Are not honorable members aware that the man-o'-war now in Sydney Harbor—the *Powerful*—is the ship whose gun was taken and rolled away into the interior? It was that gun which did the work.

Mr. WILSON.—Not at Kimberley.

Mr. HENRY WILLIS.—No; at Lady-smith.

Mr. WILSON.—The gun to which I refer was made at Kimberley.

Mr. HENRY WILLIS.—The honorable member speaks as though a gun were improvised in South Africa; but the only gun carriage improvised was for the gun taken from the *Powerful*, which enabled the English to hold their own at Lady-smith.

Sir WILLIAM LYNE.—Long Tom?

Mr. HENRY WILLIS.—No. The honorable member does not know his history. Long Tom was a French gun in the possession of the Boers. Evidently the Minister knows nothing about it. The Government seems to take some kudos to itself for announcing that in future only Australian officers will be appointed to military positions, because they know that they have in the corner a solid band of gentlemen who will applaud them.

Mr. PAGE.—No, they have not.

Mr. HENRY WILLIS.—I am very glad to find that the honorable member for Maranoa is an exception.

Sir WILLIAM LYNE.—He was at Majuba, so he knows something about it.

Mr. HENRY WILLIS.—He was, and I think we all respect him for it. He knows what it is to serve under efficient officers. He has seen his comrades falling about him. He has seen his officers go down. He knows what the smell of powder is. The men who have seen active service are those whom we must depend upon in time of trial. The rumoured appointment of an Australian officer to the position of Inspector-General has given rise to much jealousy and, I dare say, vindictiveness, on the part of military men. I do not know whether or not Colonel Hoad is competent for the position. I have read of his going out to Manchuria, where he had special opportunities of judging for himself as to the efficiency of the Japanese transport, and I believe, from reports which I

have read, that he acquitted himself well, and did credit to Australia. If he is an Australian, has seen active service, and has proved himself to be a strategist, he will be well fitted for the position. As, however, I know nothing about his qualifications, I shall pass no judgment upon him. All that I have heard of Australian officers has been very much to their credit. I know of one officer who went out to South Africa, who was rather affected in his manner of speech, and was regarded as of very little account. But he acquitted himself much better than many other officers who fought during the war. It is very often found that a British officer who may have a good deal of affectation in his manner will prove himself in time of war to be a most efficient soldier. We must remember that Great Britain is a country whose military service affords great experience in little wars abroad. Her officers have many opportunities of seeing service, such as we cannot afford to our officers in Australia. We must go abroad for competent men who are capable of leading soldiers, and are able, from their experience, to report upon the efficiency of the service at whose head they are placed, and upon which we spend our millions. I have no doubt that our own officers will give a good account of themselves in time of emergency; but we must first make sure that the man who is placed at the head of our Forces has seen active service. What the Minister has to consider is whether the officer whom he appoints to be Inspector-General has had sufficient experience of service conditions.

Sir WILLIAM LYNE.—Is the honorable member qualifying for the position of the honorable member for Wentworth?

Mr. HENRY WILLIS.—The honorable member for Wentworth is here as a representative of the people, intelligently devoting himself to the study of questions that arise in order that he may pronounce a competent opinion upon them. I do not profess to have had any military experience.

Sir WILLIAM LYNE.—Then why is the honorable member talking about it?

Mr. HENRY WILLIS.—I am bringing to bear upon this question my common sense, and the results of my reading and observation. The study of the history of one's country and of other countries qualifies one to express opinions on questions of this kind. I have offered no opinion on technical military questions. I should not pre-

sume to do so. But I may tell the Minister this—that several years ago when we were granting a sum of money for the protection of Australia, I delivered a speech upon which I was complimented by the then Prime Minister, Sir Edmund Barton; and if the Minister of Trade and Customs is at all interested in reading speeches he will find that what I said on that occasion was proved to be absolutely true in the war which has since taken place between Russia and Japan. Although I speak as an amateur, I am giving the results of my own study of authorities, and I am at least able to point to the fact that what I said on a former occasion was justified by events. We must not forget that we have had in our midst military men of high training and genius. We have had in command of our soldiers men of experience like Major-General Hutton and Major-General French. It was largely owing to the training which our men received from officers of military genius who came here from time to time that our Forces were able to give such a good account of themselves in South Africa. While we take credit to ourselves, we must not omit to give credit to Imperial officers. Now let me ask what the Minister of Defence has done, and is going to do, to encourage the cadet system and the rifle club system in Australia?

Sir WILLIAM LYNE.—He is encouraging them.

Mr. HENRY WILLIS.—Let us see how the Minister is encouraging these movements. I was present in the Melbourne Town Hall a little while ago at the demonstration of the Boys' Brigade. They were excellent, intelligent boys, fit for anything. But I was informed that the Department had not sufficient rifles for them. The Minister does not even provide enough rifles to train the boys or the men. How can they learn to shoot and become marksmen unless they have rifles? Officers who have returned from South Africa have told us over and over again that it will pay us to give the members of our rifle clubs as much ammunition as they will use. I am of the same opinion. If we give our riflemen a sufficiency of ammunition with which they may practice we shall find, if a time of emergency comes, that they will render us such valuable service as was rendered to the United States by her citizen army in the civil war. We had a more recent experience of the value of rifle shooting in South Africa. The Boers could shoot well. We found that out to our sorrow.

If we teach our boys to shoot they will be better able to defend their country when they become men. When I was a boy I had not the opportunity that boys have now of learning to shoot.

Sir WILLIAM LYNE.—Perhaps they used to shoot round the corner when the honorable member was a boy.

Mr. HENRY WILLIS.—I suppose the Minister means that I would run round a corner and then shoot, but I think that his experience of me does not justify that remark. I do not know when I am beaten, and consequently I am seldom beaten. There is a good deal of the Englishman about me in that respect.

Sir WILLIAM LYNE.—The honorable member is going to be beaten next time.

Mr. HENRY WILLIS.—If the Minister refers to my political campaign, let me tell him that it is about the easiest thing that I have before me just now. When I have once been elected for any constituency I have never been defeated in it afterwards. I have at various times represented constituencies containing most of the principal towns in and around Sydney, in municipal matters, and otherwise. I have retired for various reasons, but I have never been defeated in a municipality where I was an alderman or mayor. To continue the subject upon which I was engaged, let me say that only when the time comes to take up arms against an invading foe will the genius in strategy prove his worth. We have to think of a time when our officers and men will be brought to the test as to whether they are competent or not. It is easy enough to engage a man at a high salary to dance round the country and write reports. But a man who takes that position takes a responsibility. He sees ahead the emergency of taking the field against an enemy which might gain a foothold upon our shores. I remember the time when a fleet came into St. Vincent's Gulf and anchored off Glenelg. It was not until the people of Adelaide woke up in the morning that they knew that a Russian fleet was off the shores of Australia. The ships could have bombarded and taken Adelaide. It must be borne in mind that there are other ports in Australia where troops might get a landing, and that then we should have to take the field. We must have a General competent to lead an army in the hour of emergency. It seems to me that we shall not get an Australian genius who will be inspired for such work as that.

He must first have had experience in actual warfare. If through our insular prejudice an amiable Minister should appoint an incompetent officer, who might lead our soldiers into a death-trap, the responsibility would rest upon us as the representatives of the people, to whom the Minister is responsible in this House. If he should put an incompetent man at the head of our Military Forces it would be through our fault that the slaughter would come to our kith and kin in the hour of emergency. I do not hesitate to protest that if the Parliament be a party to the appointment of an Australian simply because he is of our own rearing, regardless of military genius and proved resourcefulness in actual warfare, we shall have acted the part which a traitor would have us act.

Sir WILLIAM LYNE.—The honorable member is taking a lot of trouble over his speech.

Mr. HENRY WILLIS.—Since dinner time I have penned a few thoughts, because it seemed to me that the time had come when an honorable member should stand up in the House and speak in the face of the frivolous action of the honorable gentleman, who regards as a mere joke the discussion of the merits of an officer at the head of a great service, upon which depends not only the safety of the Commonwealth, but also the safety of the Empire itself.

Sir WILLIAM LYNE.—Hear, hear.

Mr. HENRY WILLIS.—Does the honorable member mean to say that, if we in Australia were to allow an enemy to come to our shores and scoop the gold within our banks, we should not have assisted them materially in providing them with the sinews of war in the shape of the tens of millions of sovereigns in our coffers? Does he mean to say that it is not our duty to consider that aspect of the matter? How long would it be possible for a war to go on unless a country had gold and the means of raising it? One of the chief bulwarks of Great Britain is her means of finding the gold for carrying on war. It was because of the shortage of gold, and the impossibility of getting it, that Japan was ready and willing to sacrifice the opportunity of ultimately squeezing millions out of the enemy that she had under her feet. It was because she would have been unable to continue the war long without making it clear to the world that she was

embarrassed pecuniarily that she decided to do what she did. As soon as it had become known to Austria, Germany, and other countries that were giving moral support to Russia, that Japan was bankrupt, how long would it have been possible for the Japanese Army to remain in the field and to continue to do the work which was before them? It would have been quite impossible. An army cannot be moved like marbles. "An army moves upon its belly." How can millions of men be supplied with food unless there are millions of gold available to make the necessary purchases?

Mr. WATKINS.—Napoleon did.

Mr. HENRY WILLIS.—The honorable member is now going back to distant history. The conditions which prevail now are not the same as those which prevailed then. I do not wish to go into a dissertation upon the different conditions and what was done by a Napoleon. We have to consider things as they are under modern conditions of warfare. The time of disaster is not the time for protesting. The time to protest is when the Government are on the eve of not only making a most important appointment, but laying down a precedent and putting up their flag by declaring that they are going to make these appointments from Australians exclusively. I have raised my voice against the proposition. I believe that an Australian who is competent is equal to any man, but an incompetent Australian is as dangerous as a man could possibly be. There may be a Stonewall Jackson in our service. If there be so resourceful an officer in the Forces, let him come forward and win distinction worthy of a general, and upon his return to his home we all may salute him as Stonewall Jackson was honoured on his return from Mexico. Honorable members who laugh at the name of Stonewall Jackson are evidently not acquainted with the history of that notable officer, or the position from which he was able to raise himself. I have given an instance such as we might have in Australia. Here is a man who did not distinguish himself particularly well while he was at the Military Academy, but nevertheless he was a military genius, and by his own efforts he brought himself to the front. It was not until, as he always said, men were falling around him in all directions, and his chief concern was that he might pass unnoticed by his general in

the dangerous positions that were taken up, that he proved himself to be a genius perhaps equal to Napoleon, to whom the Minister referred before dinner. I singled out this officer because the Minister spoke about a Napoleon as an impossibility, but we may have in our midst men capable of acquitting themselves as a Stonewall Jackson if they were seasoned in active warfare. Do we not know that had it not been for the disaster of an accident, even the conditions which prevail in the United States to-day would have been very different. I commend those honorable members who laugh at the name of Stonewall Jackson to read the history of his life. They are not competent to discuss this question on the floor of the House until they are well versed in the incidents pertaining to the success of warfare during the period of the civil war in America.

Mr. ROBINSON (Wannon) [8.54].—After the moving and eloquent speech of the honorable member for Robertson, I feel somewhat at a loss in approaching defence matters. He has dealt with them on a high plane—a plane which might be described as statesmanlike. I propose to deal with military questions from a much more humble aspect. The matters which I wish to discuss greatly affect the Defence Forces in the western district of Victoria. I welcome this opportunity because it enables us to get our views before the Minister before the Budget is delivered, and will enable us on that occasion to get a definite reply to the representations which we make this evening. On a previous occasion I referred to the treatment which has been meted out to certain old-settled districts in Victoria which have been favoured for many years past with some arm of the Defence Force in their midst. I am glad to see the Vice-President of the Executive Council at the table, because I hope that he will be able to supply me with an answer to the points I am raising when the Budget is being considered. I wish first to discuss the treatment meted out to the town of Portland, the first place at which settlement on any proper scale took place in this State. It has supplied an arm of the Defence Force of Victoria ever since 1859. In that district there has been a distinct and genuine desire on the part of the inhabitants to do something towards the defence of their country. Almost continuously since 1859 they have supplied an arm of the Defence Force in a most efficient and workmanlike manner. For many years

prior to Federation there was a battery of garrison artillery established at Portland, Warrnambool, and Port Fairy respectively. In 1884 these three batteries were constituted as the second brigade of the Victorian Garrison Artillery, with a strength of seventy-five men each, and it attained in those times to a very high degree of efficiency. In 1891 the Commandant desired to reduce the strength of each battery to forty men. The powers that be, however, did not approve of that proposal, and the establishment was then fixed at the existing strength, namely, Port Fairy, 56 men; Warrnambool, 68 men; and Portland, 63 men. The two smaller townships of Port Fairy and Portland, which are only about one-fourth of the size of Warrnambool, had each an actual strength almost equal to that of Warrnambool. In 1892, as honorable members are aware, bad times came, and a far-reaching scheme of retrenchment was initiated throughout the State. All recruiting was stopped, and the strength of the establishment in these towns was cut down to twenty-six men each. Better times came in the usual course, and in 1899, a few years before Federation, the three batteries were merged into one, called the Western District Garrison Artillery, the establishment of the three totalling 144, or averaging forty-eight apiece. I wish to place before the Minister a few facts concerning the three batteries, so that he may see that they were efficient and animated by a high sense of duty to their country, and that they conducted themselves with that skill and competence which are so necessary. With the whole of the Garrison Artillery and the Militia batteries of Victoria competing, in 1887 the Warrnambool battery won the Clarke trophy. In 1889, it won the same trophy. In 1890 the Port Fairy battery won the Dickson trophy. In 1892 the Warrnambool battery finally won the Clarke trophy, and it also won the Dickson trophy. In 1893 the Portland battery won the Dickson trophy also. No competitions of this nature have been held since 1894. This is a record of which any part of Victoria, or, indeed, of any other State, might well be proud. It showed that the men in the three towns were animated by something more than a desire to earn the money allowed for drill — that there was a very strong feeling of *esprit de corps* in their ranks, and that they wished to give their country good and efficient service.

Mr. EWING.—Was there not some question with regard to the men being better trained in the larger centres?

Mr. ROBINSON.—I propose to deal with that question presently. In March, 1901, as honorable members are aware, the Commonwealth took over the Military Forces of the States, and then began the troubles of the Western District branches of the Military Service. At that time, there were 144 men in the old Western Garrison Artillery Detachments, and in 1903, what was called a re-organization scheme was adopted for the Military Forces in Victoria. From our point of view, it might more properly have been called a disorganization scheme, because it absolutely disorganized the Defence Force in that part of the country. The Port Fairy and Warrnambool Batteries were termed "No. 8 Victorian Company Australian Garrison Artillery." A little time afterwards they were converted into "No. 4 Australian Battery Field Artillery." That is to say, these two batteries with long and honorable associations as garrison artillery were turned into batteries of field artillery, whilst the Portland detachment, with its fine record and historical associations, and despite the fact that it had supplied an arm of the Defence Force in Victoria since 1859, was absolutely disbanded, and every vestige of an arm of the Defence Force at that place was stamped out by the Commonwealth Military Department. I wish to ask why that town was singled out in this way, and such harsh and unfair treatment meted out to the people of the district? I have had an opportunity of perusing the file of papers on the matter, and the reasons alleged for the action taken are two. The first is that the battery was not so efficient at the time the Commonwealth was established as it had been previously. That is a fact; but why was this so? It was brought about through the excessive retrenchment which took place in Victoria between 1892 and 1900. During that period, the expenditure on military matters, including the vote for instruction for the various branches of the Defence Force of Victoria, was cut down to the lowest possible amount. One officer was supposed to give military instruction to the detachments at the three towns of Portland, Port Fairy, and Warrnambool. The result was that most of that officer's time was taken up in travelling. Portland is distant forty miles from Port Fairy by road, and the distance by rail is considerably greater. As a con-

sequence, the officer intrusted with this duty was utterly unable to give the Portland battery the instruction necessary to keep it up to a high standard. This lack of instruction naturally led to a loss of efficiency, and the neglect of the Department to give the battery proper instruction is now used against the people of Portland as a reason why there should be no arm of the Defence Force established there, and as a justification for the disbandment of the battery that had been established so long. Another reason urged against the establishment of garrison artillery at Portland, Port Fairy, and Warrnambool, is that we do not require at those towns men trained in garrison work, and that it is better that such men should be concentrated at Port Phillip Heads. I wish to enter my emphatic protest against any such idea of centralization. The records of the Department show that when we had decentralization, the men comprising the three country batteries in the towns to which I have referred, had, under proper tuition, reached a very high standard of efficiency, and in competition with batteries from all parts of the State done excellently. My contention is that they constituted an efficient reserve for Port Phillip Heads, or any other part of the coast which might be attacked by an enemy. I frankly admit that the most likely point of attack by a foreign fleet is Port Phillip Heads, but men in the garrison artillery batteries could readily be shifted from Warrnambool or Port Fairy to Port Phillip Heads in a few hours.

Mr. WATKINS.—What would they go there for?

Mr. ROBINSON.—I say that if it be assumed that Port Phillip Heads is to be attacked, and it is desirable to have there a reserve of men trained in garrison artillery work, these men of the garrison artillery batteries at Port Fairy, Warrnambool, and Portland could be shifted at a very little cost, and in a short space of time, to the place at which their services might be required in the hour of the country's need. I say, therefore, that the argument urged by the Department that such men should only be kept at Port Phillip Heads, the point at which an attack is most likely to be made, is a mistake. Such a policy must lead to undue centralization, and to the neglect of those ports in the Western District of Victoria, which the Government of the State

have constructed at enormous expense, and in which a very large Inter-State, and to some extent oversea, trade has been developed. The Portland people, after the disbandment of the battery of garrison artillery, requested the Department to establish a battery or half-battery of field artillery. There was such a strong feeling there in favour of citizen soldiery, and such a genuine desire on the part of the people to form some arm of the Defence Force, that they actually asked the Department to do that. That request was refused. They then made a still further request. As they could get no permission to establish an artillery corps, they asked to be allowed to establish a corps of rangers, in order that they might be allowed to take some part in the defence of the country. Even this request was disregarded. The Department has turned a deaf ear to all requests from that town, and the position now is that, after a long and honorable connexion with the Defence Force of Victoria, Portland is absolutely debarred from furnishing its quota to the Commonwealth Defence Forces, and every request of the people there for permission to aid in the defence of the country is refused. I think that is most unfair treatment, and should be remedied. I wish to say a word as to the manner in which the Port Fairy and Warrnambool batteries have been treated. I have no desire to make capital out of the recent incident which has received so much prominence in the newspapers—the alleged dismissal of men at Warrnambool—except to say that I do not think that it is unfair to assume that it was a likely thing to happen, after the way in which the Department chopped and chived the corps established at that town. Since the Commonwealth has been established, the branches of the Defence Force at Warrnambool and Port Fairy have been supposed to form a battery of field artillery. Honorable members are aware that field artillery are expected to operate with a fairly light gun, which can be carried about at a good rate of speed. The type of gun should be one of considerable power and range, able to carry a good weight of metal, and yet very mobile. Honorable members will therefore be surprised to hear that the detachments at the places to which I refer have been supplied with obsolete forty-pounder guns, to shift which a team of bullocks is required. To expect field artillery to do good

work with forty-pounder guns is about as reasonable as to expect mounted rifles to perform well if mounted upon cows instead of horses.

Mr. WEBSTER.—Does the Department supply the bullock team too?

Mr. ROBINSON.—I believe that the Government allow the corps to hire a bullock team when the occasion arises. They get that concession. It is possible that the supply of obsolete guns to these men has led to a loss of the *esprit de corps* so necessary to keep a battery in a high state of efficiency, and is responsible to some extent for the disaffection existing among the Western District batteries to-day. If the Department wish to keep this corps as a battery of field artillery, they must give the men up-to-date guns, which they will know are of some use, and in which they can take some pride. To supply such men with obsolete guns, which are of no use to anybody, which could be out-ranged in active service, and which it requires a team of bullocks to shift, is to make a farce of the whole of the defence system in that portion of the State. I am of opinion, for the reasons that I have already stated, that it would be much better, in the interests of the whole State, to have a battery of garrison artillery there. That would revive the feeling, which once existed amongst the people of those places, of pride in the records of their towns, which led, in times past, to the establishment of very efficient corps. I shall not devote any further time to the matter at present. I mention it now so that I may not take the Minister at a disadvantage when the discussion of the Budget comes on. When we reach the Estimates, I shall refer to the matter again, and I hope that by that time the Minister will be able to furnish me with some satisfactory statement as to the intentions of the Department. I should like to say that I will not be satisfied, nor will the people of Portland be satisfied, until we have some evidence that the Department is prepared to meet the laudable, patriotic wishes of the people of that place to help in their country's defence. A good deal has been said about Australian officers. It is not my intention to debate that question. All I desire to say is that, if we have Australian officers who are capable men, and who have had a reasonable opportunity to prove their capacity, I hope they will be given a chance to rise to the

top of the tree. I did not hear the whole of the speech made by the Minister, but I heard his remarks on this subject, and I think they should be indorsed by every honorable member. If officers born and bred in Australia have had large experience, and have seen war in other parts of the world, they should get a show, and I hope they will. I notice that this matter was referred to in the Governor-General's opening speech, in the following terms:—

For over twenty years Australia has enjoyed the assistance of a number of Imperial Officers for the purpose of training those in command of our local Forces, in addition to which many of the latter have been sent to England and India for instruction. Hereafter preference in appointments will be given to Australian officers and non-commissioned officers. The policy of sending men of promise to England, India, and elsewhere for training will be continued; and arrangements have been made for the periodical exchange of our own officers with those of the Imperial Army, both in England and India, and also with the Canadian Forces. The advice and assistance of officers in the Navy and Army of the mother country possessed of special qualifications for judging our progress will be sought from time to time.

If that policy is carried out on proper lines, I am in accord with it. By that, I do not mean to say that I believe in selecting a man because of social influence or some kind of "pull" that he may have, to be sent to other parts of the world to get the benefit of a trip, which such a man would possibly look upon as a pleasure jaunt. But if we have men who love their work, and take an interest in it, and such men are given an opportunity of seeing war carried on, or of being in close touch with active operations, I hope they will be given a chance of fair promotion, and anything I can do to help them to it will be gladly done. There is one other matter to which I should like to refer, and it is one in which the Vice-President of the Executive Council is interested probably as much as I am. I speak of the manner in which telephone extension in the country districts is choked by the red-tape of the Department. I have no wish to trench upon the matters dealt with by motions on the business-paper, but I desire to deal with the extraordinary obstacles thrown in the way of any honorable member who wishes to see a telephone line constructed in his electorate between two townships that have hitherto been denied the advantage of such means of communication. The estimates which are presented to us by the Department are perfectly staggering.

Mr. Robinson.

When the work is undertaken by private individuals, who subscribe the money themselves, an efficient line is constructed in many cases for less than half the official estimate. There is a desire to have a line constructed over a distance of about 14 miles between Chetwynd and Harrow, and, after the usual departmental inspection, the officer presented an estimate that was absolutely appalling. The line is now being built by a few individuals, who are finding the money themselves, and, if the work cannot be carried out for one-quarter or one-third of the Government estimate. I shall be prepared to join the Ministerial party, and it would take a great deal to make me do that. One of the reasons for the extraordinarily high cost of construction of these telephone lines is the cost of the labour. I believe that the Federal Government, or any Government, should set an example as employers, and, therefore, I have no objection to the minimum wage clause, on which the Government insist, and which ought to find a place in all such contracts. But I find that the men employed, who are paid the reasonable minimum wage of 7s. per day, all come either from some town in the Western District or from Melbourne, and, in addition to the minimum wage, they are given a living allowance of 6s. or 7s. a day, on the ground that they are absent from their homes. The result of this arrangement is that the labour cost is practically doubled—that men are paid 13s. a day for work which is not worth more than 7s. If the Department allowed shire councils or other local bodies to do the work, and insisted on the minimum wage being paid—I am prepared to agree to that—it would be found that men in the country districts, who know as much about putting in posts or straining wires as do the men in the employ of the Department, would, as they ought, be given the work, and would earn a good wage, while the line would be constructed at about half the price, and a great impetus given to telephone extension. The cast-iron regulations of the Department check telephone construction, and render it exceedingly difficult to obtain lines for people who badly need the convenience. I have placed a number of requests before the Department for telephone extension, and in only one case has the Department agreed to construct a line. I admit that that is a good case, being a line from the Prime Minister's constituency to my own. The line which

extends from Ballarat to Hamilton, a distance of 110 or 112 miles, is about to be constructed by the Department, and it is one on which, I think, the Government will receive good interest on the expenditure. But other lines which would assist the people in country districts, and bring them more in touch with civilization, cannot be constructed because of the throttling system of the Department, with its accompanying enormous cost. If, as I say, the men in the country districts were employed, earning the departmental minimum wage, but without the totally unnecessary living allowance, lines would be constructed much more quickly, the benefits of telephone communication would be diffused over a greater area, and there would be a great increase in the revenue of the Department generally. The telephone is one of the few benefits which we in this House may hope to see extended amongst our constituents; because our brethren in the States Parliaments have control of most of the matters which more closely affect the comfort and well-being of the people they represent. It seems to me that we should do our best to get the advantages of telephone communication diffused as widely as possible. Another matter which I would like to see the Minister take into consideration is one that, I believe, could be settled in a very short time if he had a friendly chat with the State Premier of Victoria. In many places, the telegraph office is at the railway station; but when a condenser telephone has been provided, and people desire to use it, they are told that they cannot do so, because the telephone is in the stationmaster's office. If the Postmaster-General and the State Premier, instead of writing letters, were to have a quiet chat for ten minutes, they could easily frame regulations, which would, so to speak, protect the sanctity of railway property, and yet allow private persons who wish to use the telephone, access to the stationmaster's office. The telephone is being installed in a number of towns in my district, and in all the places where the telegraph office is at the railway station, the instruments are absolutely useless to the public. It is found impossible to ask a question, or even to ring up the doctor, and all the expenditure of the installation is practically thrown away. As I say, a short confab between the Postmaster-General and the State Premier, who is also Minister of Railways, would settle the mat-

ter, because I am sure that two such sensible men could come to an arrangement in a few minutes. If this were done it would confer great benefit on the people in country districts, and I hope the Postmaster-General will give the matter his attention. These are all the grievances I have to submit, and if they are remedied in the way I indicate, the people generally will reap great advantage.

Mr. R. EDWARDS (Oxley) [9.23].—I have one or two grievances affecting Queensland in reference to the deportation of the kanakas. After the 31st December next no one in Queensland will be allowed to employ a kanaka, and as soon as possible after the 1st January all these coloured residents are supposed to disappear from the State. A short time ago a telegram from Brisbane appeared in the Melbourne *Argus* as follows:—

BRISBANE, Friday.—The time for the return of the Sugar Labour Commission's report has been extended to June 30. Statements have been made in Melbourne to the effect that Queensland is seeking to avoid its obligations with regard to kanaka repatriation. It was alleged that the fund to which the sugar planters have contributed to meet the expenses of returning the islanders to their homes has been used by the Queensland Government, after merging it into the consolidated revenue. As a matter of fact, the Queensland Government has always clearly admitted the liability cast upon it by its Legislative enactments to return the islanders to their homes. When Mr. Morgan was Premier he repeatedly emphasized that fact, but, at the same time, it is pointed out that, owing to the stopping of recruiting, which prevented steamers taking any islanders as passengers back to Queensland, the cost of landing "returns" had increased from about £5 to £7 per head. As this was entirely due to the action taken by the Commonwealth Parliament, it was contended that if any additional liability was cast upon the State Government it would be fair to ask the Commonwealth to meet the amount. A more serious matter was the fact that at the end of the period allowed for the employment of kanakas in Queensland there would remain in the State several thousands of kanakas. Some time must elapse before they could be carried to their islands, and, as they could not be allowed to starve, considerable expense would be incurred. This, Ministers held, would be a fair charge upon the Commonwealth Government. The present Premier (Mr. Kidston) has expressed his intention of calling upon the Commonwealth Government to meet that expense.

If nothing else had taken place that telegram would have caused me to take up a little time to-night. But in the early part of the session on 14th June, the honorable member for Coolgardie, as reported:—

Hansard, asked the Prime Minister the following questions in the House:—

1. Has his attention been drawn to a statement attributed to Mr. Kidson, a Queensland Minister of State, published about 1st April, 1906, to the following effect:—

That the Queensland Government would not provide food and clothing for the kanakas about to be repatriated; that the Federal Government must do it; and that the same Government must bear the cost of deporting the kanakas to their native islands?

2. If it be a fact that the kanakas referred to were brought into Queensland by Queensland for the sole benefit of a Queensland industry, does he consider it equitable that other States of the Commonwealth should bear any share in the cost of returning such kanakas to their islands or of maintaining them in the meantime?

3. Is it correct that a fund existed (to which sugar planters contributed) to meet the necessary expenses of returning Pacific Island labourers to their homes on completion of their periods of engagement, and that this fund has been merged into the State revenue of Queensland and disbursed for purposes foreign to the object for which the money was collected?

4. Does the Government intend to relieve the State of Queensland of any of its obligations to repatriate at its own expense the Pacific Islanders whom that State, for its own special advantage, introduced into Australia; and, if so, to what extent?

5. If, in addition to the sugar subsidy, and other special concessions granted to Queensland, the Government proposes to bear any portion of the expense of maintaining or of repatriating kanakas, can the Prime Minister say whether the Constitution admits of the consequent expenditure being adjusted so as to exempt from contribution those States which preferred to leave large areas suitable for sugar production unused rather than follow Queensland's example in importing coloured labour to carry on the industry?

The answers given by the Prime Minister to the questions were as follow:—

1. No.

2-5. The Government are awaiting final replies from the High Commissioner of the Western Pacific and the British Resident in the New Hebrides.

As soon as possible after the receipt of these and of the report of the Queensland Royal Commission which is now inquiring into the situation respecting kanakas, the intentions of the Government will be communicated to Parliament. In considering the statement to be then made, regard will be had to the various matters referred to by the honorable member.

I am sorry the honorable member for Coolgardie is not present. I very much regret that an honorable member should attempt to in any way disparage a sister State by asking questions or making statements implying that that State is trying to avoid its proper responsibilities. The honorable

Mr. R. Edwards.

member displayed anything but kindly feeling towards Queensland on that occasion. It was very indiscreet on his part, and very much out of place to ask the questions on the strength, I suppose, of nothing more than a rumour that Queensland was not going to carry out its obligations in regard to the deportation of the kanakas. As a representative of Queensland, I protest most strongly against questions or statements of that kind in this House. No Queensland Government—whether a Labour Government, or of any other party—would dream of repudiating the obligations of the State. I am quite satisfied that if anything of the nature were proposed, or suggested, the public of Queensland would be up in arms against such dishonesty. The present condition of affairs in Queensland, as we all know, has been brought about by legislation in this Parliament. That legislation was carried by the representatives of all the States, including some of those from Queensland, and, that being so, it is the duty of the Commonwealth to undertake the responsibility of maintaining the kanakas until they can be sent from that State.

Mr. CARPENTER.—Is the Queensland Government willing to pay for the kanakas for whose return they are responsible?

Mr. R. EDWARDS.—When a shipload of recruits arrived in Queensland, planters requiring "boys" engaged them for a period of three years, paying them at rates of wages provided for under an Act of Parliament, and, at the end of the period, were responsible for the cost of their return passages to the islands whence they came, amounting to about £5 each. The kanakas, however, could be re-engaged with either their first employer or another, in which case the passage money had to be lodged with the Polynesian Inspector, to be used when the "boys" were inclined to go back. Since the stoppage of recruiting, however, the cost of return passages has increased by nearly 50 per cent., being now, I am told, £7; and it is only reasonable that the Commonwealth should be responsible for the difference between the £5 and £7.

Mr. CARPENTER. — Why? What has caused the passage rate to go up?

Mr. R. EDWARDS.—The fact that the vessels engaged in the trade cannot get return cargo, and are not permitted to bring back recruits. Queensland has good cause

for complaint whenever it is suggested that she is not prepared to undertake her full responsibility in this matter ; but it must be remembered that between 5,000 and 6,000 kanakas will have completed their engagements on the 31st December next, and will have to be sent back to their islands as soon afterwards as that can be done. It will be impossible to send them all back within a month, or within six months, and possibly even within a year, and how are they to be maintained during that time, for many of them will be without means? I think that the Commonwealth should be responsible for their maintenance, and for the increase in the cost of the passages, charging the expenditure to all the States on a population basis. Queensland, however, has no intention of repudiating any of her just responsibilities.

Mr. WILKS (Dalley) [9.35].—I have been listening for about six hours to the recapitulation, by various honorable members, of the grievances of their constituents. This being grievance day, there is an opportunity for every representative to pour into your willing or unwilling ears, Mr. Speaker, the complaints of those whom he represents. You are precluded by the high office which you hold from doing the same thing ; but I take it that you have some better mode of obtaining attention to the wants of your constituents, though, if you will commission me to do so, I shall be very happy to represent their grievances in this Chamber. Although honorable members undertake this task in the most joyous manner, I should be the last to suggest that they avail themselves of the occasion to make electioneering speeches, and, while nominally addressing you, are actually talking to their constituents.

Mr. THOMAS.—Why should not a man talk to his constituents?

Mr. WILKS. — The members of the Labour Party need not do so while their machine keeps in working order, and they are nominees of the machine. I wish to express my surprise, however, that they have not availed themselves of this opportunity to ventilate what I think they should consider a very serious grievance. Seven months ago we passed a Trades Marks Act, containing what were known as union label provisions, which the Labour representatives in this Chamber insisted were absolutely necessary in the interests of the workers.

Mr. CARPENTER.—Shocking !

[29]

Mr. WILKS. — The honorable member was one of those who spoke most loudly in advocacy of the provisions to which I refer ; but, the legislation having been passed, he has no complaint to make on the ground that the regulations necessary for carrying its provisions into force have not yet been drafted. While the employers have their trade marks, the employés, for whom the Labour Party, the Attorney-General, and the Ministry as a whole fought so strenuously, have been left for seven months in the position which they occupied before the Act was passed. A large amount of public time was occupied in the discussion of the measure, and a great political struggle took place while special standing orders were being carried to enable it to be forced through this House, and yet, although it was represented by the Ministry and the Labour Party to be so urgent, the regulations necessary to carry it into effect have not yet been drafted. It is hinted in this morning's newspapers that a rough draft has been made, but the regulations have not been published.

Sir WILLIAM LYNE.—The Act does not come into operation until the second day of next month, but the regulations are ready, and will be passed by the Executive to-morrow.

Mr. WILKS. — Then, notwithstanding all the talk that we heard about the absolute urgency for the trade union label provisions, the Ministry have permitted eight months to elapse before bringing the Act into force. When the measure was under discussion, some of the ablest minds in the Chamber—

Mr. RONALD.—Whose were they?

Mr. WILKS.—Mine amongst the number—saw that it was a moot point whether its provisions were constitutional, and stated that objection ; and it is now an open secret that, as soon as the Act is put into operation, its constitutionality will be tested before the High Court. No man knows better than the Attorney-General that there is every possibility that the High Court will pronounce the union-label provisions of the Trade Marks Act to be unconstitutional.

Sir WILLIAM LYNE.—What nonsense !

Mr. WILKS.—I challenge the Attorney-General to deny what I have said. I believe that this fear on the part of the Government is the sole explanation of the delay in drafting the regulations. The action

of the Government in regard to the union-label provisions is in marked contrast to the expedition with which they brought into operation the regulations which enable employers to register the trade marks which they propose to attach to their goods. We were informed by the press this morning that the union-label regulations had only been drafted.

Mr. ISAACS.—The honorable member is quite wrong.

Mr. WILKS.—I should like an explanation with regard to the matter. The Minister of Trade and Customs admits that the regulations cannot be brought into operation for another month.

Sir WILLIAM LYNE.—I said that they would be brought into operation upon the end of next month, which is only a week hence.

Mr. WILKS. — That is in another month. At any rate, the union-label provisions have been allowed to lie dormant for a period of eight months. I think that this is a matter of distinct reproach to the Government, and also to the Labour Party, who have not brought sufficient pressure to bear upon them to put the law into full operation. I have another grievance with regard to the Judiciary Act. We were told in the Governor-General's speech that there was a probability that this House would be asked within a short period to authorize the appointment of another Justice to the High Court Bench. I should like to know what has arisen to render such an appointment necessary. Australia is already burdened with too many high-salaried officials, and I do not think we should be called upon to appoint another without sufficient warrant. Most of the time of the High Court has been occupied in reversing the decisions arrived at by the Full Courts of the various States. This indicates either that the States Judges have not kept themselves sufficiently in touch with the law—and have thereby been led into wrong decisions, or that the High Court is becoming fashionable because of its reversal of the decisions of the States Courts, and the consequent assumption that the Justices of the High Court far excel the Judges of the States in ability and legal knowledge. I am not prepared to accept the latter alternative, but I think that litigants resort to the High Court because of the belief that it will almost certainly reverse the decisions given in the States Courts. One of the Justices of the High Court has refused to preside over the Federal Arbitration

Court. It is true that up to the present no case has been presented for decision under the Federal Arbitration Act, but it is understood that within a very short time some cases will have to be dealt with, and that we shall be asked to sanction the appointment of another Justice to hear them. Whilst I do not oppose the appointment of officials when they are required, I shall certainly object to the appointment of another Justice until I am quite satisfied that the Bench needs to be strengthened. If an additional Justice is appointed to deal with cases arising under the Federal Arbitration Act, his position will, within a very short time, become practically a sinecure. In yesterday's cables intelligence was conveyed to us with regard to certain proceedings in the Privy Council which tends to justify the action taken by the honorable and learned member for Northern Melbourne and twenty-three others, including myself, who desired that power should be given to litigants to appeal to the Privy Council direct from the Supreme Courts of the States, in matters involving the constitutional powers of the Commonwealth. That proposal was resisted by the members of the present Ministry, and was defeated by only one vote. The Attorney-General, the Minister of Home Affairs, and the honorable and learned member for Bendigo pooh-poohed the idea, but the decision of the Privy Council shows that honorable members who supported it were justified in the view they took.

Mr. ISAACS.—Will the honorable member be kind enough to read anything that I said on the subject?

Mr. DEAKIN.—The honorable member is quite wrong with regard to the Attorney-General.

Mr. WILKS.—In that case I shall only be too glad to apologise. I should like to know whether it is the intention of the Government to drop one or two items of business which they have included in their programme, in order to enable Parliament to deal with a Bill to amend the Judiciary Act in the direction of giving litigants the wider powers of appeal that I have indicated. When this debate commenced I was poor in grievances, but, after having listened to honorable members, I have found many causes for complaint, based upon the neglect of Ministers, their weakness in administration, and their misleading advice upon legal questions. I should like to know, for one thing, whether the Prime

Minister has been approached by the leader of the Labour Party upon the subject of the amendment of the Constitution. The members of the Labour Party, in session and out of session, and in this Chamber and outside of it, have declared that certain social problems cannot be solved until some of the monopolies that are being operated amongst us are nationalized. This reform cannot be brought about until the Constitution is amended, and in view of the fact that, according to the statement of the Prime Minister, the general elections will take place in November, I should like to know whether any steps are being taken in the direction indicated. I am astonished that the lynx-eyed advocates of the interests of the masses have not risen in their places and impressed upon the Government the necessity of amending the Constitution to enable the State to nationalize these monopolies, which are said to be working such injury to the community. If the Labour Party believe that monopolies should be nationalized, and that in that reform lies the great cure for most of our social and industrial evils, why do they not come forward and endeavour to induce the Prime Minister to set in motion the machinery necessary to effect their purpose. Honorable members on this side of the House are often charged by members of the Labour Party with being indifferent to the interests of the masses, but we may with propriety hurl the charge back upon them, and ask why they have allowed the present occasion to pass without openly calling upon the Government to take the action which they regard as necessary. If action be not taken within a week or two nothing can be done this session, and no amendment of the Constitution can be effected for three years or more. It is just as well to hold the curtain aside, and show how far the Labour Party have failed to establish their claim as doughty champions of the masses.

Mr. WEBSTER.—What does the honorable member want us to do?

Mr. WILKS.—The honorable member is loud-mouthed in advocacy of the nationalization of monopolies, and I urge that he should ask the Prime Minister to put the necessary machinery in motion so that the question of the amendment of the Constitution can be submitted at the next election.

Mr. WEBSTER.—I shall have a conference with the Prime Minister.

Mr. WILKS.—That reply is consistent with the general conduct of the Labour Party. They do not bring their influence to bear in such a way that the public can see what they are doing. They exercise their control by means of a secret caucus, and by having conferences with the Prime Minister. This is the place for conferences. Why do not the sturdy representatives of the Labour Party boldly ask the Minister before the whole country what he intends to do with regard to this vital matter?

Mr. WEBSTER.—We are trying to save the time of the country.

Mr. WILKS.—When the honorable member was in opposition, he used to spend hour after hour in attempting to save the time of the country. Then we had Webster unabridged, but to-day, as a supporter of the Ministry, the honorable member is very much abridged.

Mr. WEBSTER.—I had an enemy to fight when I was in opposition.

Mr. WILKS.—I hope that the honorable member will not have an opportunity of saying to-morrow morning that the honorable member for Dalley was not properly reported in *Hansard*. I have been in this House for five and a-half years, and I will guarantee that I have not made fifty corrections in the proofs of my speeches during the whole of that time. I think that the members of the *Hansard* staff, instead of being spoken of unkindly, should have full credit given to them as the finest of speech-makers. I really believe that they are responsible for the most lovely productions, and the most poetic speeches, which are supposed to have issued from the mouth of the honorable member for Gwydir, but which were never uttered by him. Yet the honorable member, above all others, endeavoured to castigate *Hansard* yesterday. How is it that the members of the Labour Party, who believe in nationalizing everything, have been so silent in regard to this matter? As during this final session of the present Parliament we have only a few months in which to do our work, I quite agree that, even if the Opposition desired to be fractious, it would not be good policy on their part. I know from experience that fractiousness on the part of an Opposition in the early part of a session means late sittings towards the end of it. I have had sufficient parliamentary experience to teach me that a Ministry in the last session of a Parliament will make every endeavour to

place upon the statute-book as much legislation as it can, in order to show to the electors what it has done. I am quite aware also that if we were to delay measures now—and remember that the Opposition contains members who are fairly well experienced in parliamentary life—we should have to suffer for it later on. We should suffer in health and in comfort through all-night sittings, and the only result would be that we should have had legislation placed upon the statute-book by a frenzied Ministry.

Mr. WEBSTER.—The honorable member is a past master!

Mr. WILKS.—I do not know what I am a past master in. The honorable member for Gwydir is a past master in misrepresentation. I am only an apprentice at that business. So far as concerns laying legitimate grievances before the House, I think I can claim to be at least an accomplished journeyman. Nevertheless, I do not make a business of bringing grievances before Parliament. I am no grievance-monger in any sense. Many honorable members have aired their eloquence to-day with regard to defence matters. I do not wish to say much with regard to them. But I should like to observe that it appears to me that the most hard-worked Minister in this House is the most ill-paid member of the Cabinet. I allude to the Honorary Minister, the Vice-President of the Executive Council. It is a disgrace to the present Government that that honorable gentleman should have to answer nearly all the questions that are addressed to Ministers, whilst at the same time he draws the least pay. Surely here is a case for presentation to the Arbitration Court. It is a sheer matter of sweating an employé of the Government!

Mr. DEAKIN.—The honorable member is a Socialist. He wants to divide evenly.

Mr. WILKS.—I am certainly socially inclined in my relations with the Prime Minister, but I am no Socialist; whilst, as to dividing equally, I never have anything to divide. Unfortunately, the members of the Opposition are nearly all Scotch, and you know from experience, Mr. Speaker, that where Scotchmen are concerned there is not much inclination to divide. My answer to the Prime Minister is that I have no opportunity of dividing anything of value on this side of the chamber, whilst for political reasons he will not allow me to divide anything with him. But I notice that at ques-

tion time nearly every question is answered by the Vice-President of the Executive Council. When a question is addressed to the Government regarding the Post and Telegraph Department, the Honorary Minister answers it. When a question with regard to Defence is asked, the honorable gentleman bobs up again like a cork. He is a regular Pooh Bah. During question time to-day, for instance, the reporters were kept busy in taking down the words of wisdom that fell from the Vice-President of the Executive Council, whilst the remainder of the members of the Ministry, from the Attorney-General downwards, remained silent. In the course of this debate the same honorable gentleman is the only Minister who has made any response to the criticisms which have been levelled against the Government. He made a very eloquent answer to the honorable member for Wentworth, who is a specialist, or is trying to become a specialist, in matters of naval and military defence. I observe that the honorable member for Darwin—whom we may regard as the honorable member for the Missing Link, or the honorable member for the Origin of Species—laughs at my remark. But it is true. The honorable member for Wentworth made a well-thought-out speech upon the defence policy of the Government. I am satisfied that the members of this House do not desire that questions of defence shall be discussed on party lines. Defence is a matter quite above party. Neither the members of the Labour Party, nor Ministerialists, nor the Oppositionists, desire that a question of such serious import shall be treated as one out of which political capital can be made. The honorable member for Maranoa has from the very inception of this Parliament devoted careful attention to defence, and has on many occasions favoured us with his own practical knowledge concerning it. But although one of the warmest supporters of the Ministry, the honorable member has to-night castigated them in the severest terms. The Government have not replied to him. Why is that? The honorable member has attacked the Government for the contemplated appointment of Colonel Hoad as Inspector-General of the Commonwealth Military Forces. It was a deliberate attack by an honorable member who is on this subject well qualified to speak in the interests of the people of Australia. He has quoted from a report by Major-General Hutton,

an eminent Imperial officer, who has served with distinction in various parts of the Empire, and has argued that Colonel Hoad does not possess the qualities required for the position which he is to fill. If the facts are as represented by the honorable member for Maranoa, I trust that Colonel Hoad will not be appointed to so high a position; whereas if it is proved that he is well qualified, and is the best officer we can select, I see no reason why he should not be appointed. Every care and caution ought, however, to be exercised in regard to this matter. My quiver, so far as grievances are concerned, is not by any means empty. Every honorable member, after a parliamentary recess, has his quiver full against any Ministry. But I do not intend to trouble the House and *Hansard* with any further grievances under which my constituents may be labouring, as I trust that I shall have other opportunities to lay them before the House. I should not have addressed you at all, Mr. Speaker, except that I felt it to be necessary to place on record the points which I have already mentioned. In conclusion, may I be allowed to express my sincere regret that, while these troubles affecting the constituencies of honorable members are being ventilated, you, sir, are precluded by the position you hold from saying anything on behalf of your electorate. I think it would be a good idea, if on such occasions as this, you, Mr. Speaker, could leave the chair and have your place taken by the Chairman of Committees, in order that you might have the same opportunities as other honorable members have. Personally, I hope to see the day when the Speaker of this House will have accorded to him the compliment, which is always accorded to the Speaker of the House of Commons, of not being opposed at elections. I think that the traditions of the Imperial Parliament in that respect ought to prevail in Australia, and that the Speaker should be returned without opposition; because, while he occupies the Chair, he is handicapped in respect to dealing with controversial matters. When we have a Speaker possessed of such high attainments as is the gentleman who presides over this Chamber, there is a special reason for hoping that in the near future, when the elections take place, the same treatment will be meted out to him as is invariably meted out to the gentleman who presides over the deliberations of the House of Commons.

Mr. WILSON (Corangamite) [10.14].—Owing to the lengthy speech of the honorable member for Dalley, I shall have to curtail the remarks which I intended to make. I wish, first of all, to address a few observations to the Minister representing the Postmaster-General. I wish to call his attention, and that of the House, to the very small payments that are made to some of the contractors under the Post and Telegraph Department. I know of one case where a man has to attend at a railway station twice a day, and to carry the mails about a mile into a township. For those services he receives a payment of only 7s. 6d. a week. It is absolutely ridiculous that a poor man should be so ill-paid for such work. This is only one of many such cases. I think that some arrangement ought to be made by the Post and Telegraph Department whereby persons shall be adequately paid for services which they render to the country. In the Forest country, below Colac, which, as the Acting Postmaster-General knows, is very difficult of access, there is a place known as Wattle Hill, which is situated about thirteen miles beyond Beech Forest. Some years ago these thirteen miles of road were in a terrible state. I have been over the road, and know that often until quite recently a man driving along it had to pass through waterholes every few minutes. In consequence of the terrible state of the roads the mails for Wattle Hill, instead of being taken from Beech Forest, thirteen miles away, were taken round to Camperdown, thence to Timboon by rail, from Timboon to Princetown by coach, and from Princetown to Wattle Hill by pack horse, a distance of ninety miles in all. The Colac Shire Council has improved the direct road to Wattle Hill, and I therefore ask the Minister to see that in the new contract provision is made for the mails to be carried by the shorter instead of the longer distance. The people at Wattle Hill do a lot of business with Beech Forest, but until lately it has taken them a long time—two or three days—to get an answer from Beech Forest, although it is only thirteen miles away. I hope that the Minister will also see that payments for services rendered to the Department are made more speedily than they have been. During the railway strike, which occurred some years ago, two local telegraph operators were asked to do Sunday duty, and they did. They were told that they

would receive extra payment for their services, but no more was heard of the matter until Tuesday last, when they got an official intimation that they were to receive payment, and they were handed the munificent sum of 3d. after waiting for three years to be paid. I hope that in the future the Minister will see that these payments are made with greater regularity. The honorable and learned member for Wannon has drawn attention to the fact that in the past few years there has been considerable alteration in the garrison artillery at Warrnambool, Port Fairy, and Portland. He has shown the excellent character of the battery at each place. They were permanent coast artillery at one time, and have been transformed into field artillery. It seems to me that the Department or some persons in authority there, are trying to bring in the very pernicious practice of centralizing all the State Defence Forces at Melbourne or Queenscliff. That, to my mind, is very dangerous and most undesirable. I hope that every possible precaution will be taken by the Minister to prevent that sort of thing from being brought about. It seems to me that there is some connexion between this desire to centralize all these things and the recent dismissal of the men from the Warrnambool battery. Fourteen of the men did not attend the camp at Easter. According to the regulations, the Minister has power to inquire as to men not attending camp, and, where dismissals have taken place, to recommend that the men should be reinstated. What I ask is that the Minister shall inquire into these cases, and that when he sees the justice of the claim of many of the men to be reinstated, he will cancel the discharges. The cases are, I think, rather notable. Two brothers who are carrying on a shop were both members of the artillery, one being a sergeant and the other a corporal. They employed no workmen, so that if both had gone to the camp, the shop would have had to be closed. Last year, the corporal went, this year the sergeant went, and for not going this year the corporal has been dismissed. Surely the Defence Department are not going to ask men with an excellent record of services to close their shop for five or six days? In another case, two members of a battery were working in the same shop. Last year the proprietor allowed one of the men to go to camp, and this year he allowed the other to go, but when the report was brought

Mr

to the Colonel, the man who was not able to go this year was dismissed. In another case a poor man, who was an excellent sergeant in the battery, kept a little shop. Last year he was able to arrange his affairs so that he could go to the camp, but this year he could not, and, consequently, he was dismissed. One regulation provides that if a man be a petty officer, then, instead of being dismissed for not attending a camp, he shall be returned to the ranks, but these men have been dismissed absolutely. There is a certain amount of degradation attached to the sudden dismissal of a man. The men feel their position very keenly. There seems to be a somewhat strong feeling existing just now in the matter. I find that thirty members of the Bendigo detachment of the Australian Infantry Regiment have been dismissed for not attending camp. I think that all these cases should be inquired into, so that this pernicious policy of centralization shall not be further pursued by the Government. The honorable member for Wentworth has referred to the case of the crippled driver. Our regulations ought to provide that any men who are injured in the service shall have some recompense made to them, no matter what their rank may be. I hope most sincerely that the Government will take into their serious consideration the case of the injured driver. I also trust that they will be able to give serious consideration to the claims of Colonel Frice, and to do something for him. I hope that when the Government feel that they are called upon to make some return to men for services rendered they will give equal consideration to the claims of all ranks.

Mr. KING O'MALLEY (Darwin) [10.24].—While I was out of the Chamber to-day, the honorable member for Maranoa made a speech in which he impliedly sought to condemn the appointment of Colonel Hoad.

Mr. PAGE.—How does the honorable member know, if he was not here?

Mr. KING O'MALLEY.—I heard all about it. I am not attempting to reprimand the honorable member. I am only attempting to put the matter from my standpoint. I wish to congratulate the Government upon the contemplated appointment of Colonel Hoad. But I think that we ought to be fair. No man ever loses ground by being absolutely fair, as I believe the honorable member for Maranoa wishes to be. I understand that he has

said that if any one knew anything in favour of Colonel Hoad, who is not able to come here and defend himself, he would be only too pleased to hear it. I know that Colonel Hoad is an able, progressive, and industrious officer. While I am opposed to all armies except the army of industry; while I look upon this outcry about the defence of Australia as an encouragement to foreign nations to come and attack us; while it is all nonsense to me, in this age of civilization and progress, to be talking about establishing and maintaining an army of butchers to murder men as savages do, I ask why, if Australia is able to produce, train, and qualify soldiers, should they be exempt because they were born in this country? If that policy be pursued, then every sagacious father will see that his wife clears out of the country when a child is about to be born, so that it shall be born in a foreign country, and thus be qualified to be employed in Australia. The Constitution of the United States says that its Presidency can only be held by a person who was born therein. I lost the chance of being elected President of the United States because I was born thirty feet outside the territory. Why should we not encourage men born in Australia to become great? It ought to be the very symbol of their power to rise that they were born here in a democratic country. When the honorable member for Maranoa talks about Colonel Hoad having risen because of the influence of society, he is labouring under a tremendous delusion. Colonel Hoad has no social influence in Victoria.

Mr. PAGE.—When did I say that?

Mr. KING O'MALLEY.—My friends tell me that there was sent in a letter, in which it was stated that it was a society appointment, and if I am mistaken let my honorable friend put me right.

Mr. PAGE.—I never said that.

Mr. KING O'MALLEY.—I agree that the honorable member did not make the statement, but he quoted it from the letter.

Mr. PAGE.—I never quoted any letter, so that the honorable member is wrong again.

Mr. KING O'MALLEY.—Then the Labour Christians are wrong, and, if that is so, I at once apologise to the honorable member. If Colonel Gordon or any of the social gentlemen were nominated for the position I should say it was owing to the

exercise of society influence, but Colonel Hoad has risen from the ranks. In the early days of Victoria, I believe, he was a civil servant. He battled, studied, and trained himself, until now he is qualified to take this position. Let us look at another side of the case. You, sir, know that on general principles I would be shot or hanged to-morrow. You know that, as a rule, men who are not successful always look upon successful men as bounders and adventurers—dangerous men in the community. We ought to be very careful before we condemn men upon the recommendation of rivals. While I am a labour member, I hope that I am just. I always hate to see any of the brethren in the House defeated, although they are opposed to me. I admit that Major-General Hutton had no wonderful use for Colonel Hoad, but that only proves that Colonel Hoad had less use for Major-General Hutton—it is as broad as it is long. Abraham Lincoln picked five generals, all failures, before securing Grant. The latter had much hard work in order to get through his examinations, and he only succeeded at the tail end on the last occasion, when he was given the rank of about a fourteenth lieutenant. He was sent out west on the plains, because he was thought not to be fit to mingle with the officers who had been first in the tests at West Point. At last Grant retired in disgust from the Army, and became a tanner; and it was through Colonel Pomeroy, who had been appointed by Governor Yates, of Illinois, to take a regiment south, that Grant was sent for. In Australia, according to the conditions which appear to be laid down, General Grant would not be allowed into the Army.

Mr. TUDOR.—The honorable member must have a brief for Colonel Hoad.

Mr. KING O'MALLEY. — I have no brief, but I want to be fair. I have had such a fight for my living in Australia that my heart goes out to any man who is being kicked. When General Grant was taking his army to the Mississippi, his subordinate generals asked him why he did not prepare for a retreat, and his reply was that if they were defeated there would be none of them left to retreat. And I believe that is what Colonel Hoad would say to-morrow if he were called upon to fight. Abraham Lincoln, in the face of every general in the States, stood by General Grant. It will be remembered that

clergymen went to Washington, and asked Lincoln to dismiss Grant because the latter was drunk at the battle of Shiloh. The reply of Lincoln was an inquiry whether the clergymen could obtain for him a few barrels of the whisky that Grant had been taking, and when the clergymen asked the President why he wanted the whisky, he said he desired to present it to the other generals in order to make them fight like Grant. We ought to be very careful not to condemn Colonel Hoad simply because he has not moved in society in London or Berlin. When General Rosencrantz, a German general in the American Army, who had had to flee from his own country during the troubles of 1848, was tied up in the South during the civil war, Grant took an army and relieved him. I have no faith in military clock-work generals, with their numerous spurs and feathers. We know how such generals behaved in South Africa; and even the honorable member for Maranoa admitted that when the Boers were bayoneted out of a position, the officers let them back again. We want a man of ability for this position, and if Colonel Hoad does not prove that he possesses that ability, he can be removed. If I had my way, I would wipe out all this nonsense about the Army, and devote the £700,000 or the £800,000 a year to placing men and women on the land. We should then have a large population, and the presence of 20,000,000 people in Australia would be sufficient to scare the nations of the world from attacking us. Why is it that the United States does not need an army? The very fact that the population of the United States is 80,000,000 acts like an electric shock on the nations of the world. What we want in Australia is population, but population we shall never get so long as we waste our money on this nonsensical military business. In an American newspaper the other day a British soldier declared that the British guns are now obsolete. I trust that Ministers, if they have made up their minds to appoint Colonel Hoad, will not withdraw from their position; and they shall then have my support through thick and thin. I know that Colonel Hoad is not a society rooster, and that is enough for me. I have been a fighting man myself amongst the Indians, and that is the sort of fighting we shall have in Australia. The history of the world is simply the record of one great

Mr. King O'Malley.

battle between righteousness and evil; and while battle-fields may change, underlying principles never change.

Question resolved in the negative.

GOVERNOR-GENERAL'S RESIDENCES BILL.

Motion (by Mr. GROOM) agreed to—

That leave be given to bring in a Bill for an Act relating to the residences of the Governor General.

Bill presented, and read a first time.

ADJOURNMENT.

ORDER OF BUSINESS: TARIFF COMMISSION'S REPORTS: MAJOR HAWKER INQUIRY: COST OF PRINTING.

Mr. DEAKIN (Ballarat—Minister of External Affairs) [10.35].—I move—

That the House do now adjourn.

It has been suggested that the amendments of the Preservation of Australian Industries Bill, circulated this evening, are such as to invite examination by honorable members, and that probably business will be assisted if the consideration of that measure be not undertaken before Tuesday. Consequently, it is proposed to-morrow to proceed with the Bill which has just been read a first time. As honorable members are probably aware, the Premier of New South Wales has requested, in order that arrangements may be made for a residence for the Governor of that State, that this question which the Senate desires to have considered by Bill, shall be dealt with in the course of the next month. In order that this may be done without interrupting the business of this Parliament, it is desirable to have the measure in readiness for the Senate when it re-assembles. Any further time that may be at our disposal to-morrow will be occupied with the business on the notice-paper.

Sir JOHN QUICK (Bendigo) [10.38].—I desire to avail myself of this opportunity to elicit from the Government some expression of opinion, or some pronouncement, as to their intentions with respect to the progress reports of the Tariff Commission which have already been presented. I should like to know whether it is proposed to give the House an early opportunity to deal with those reports, and, if so, at what stage we are likely to be asked to consider them. In looking down the notice-paper, I see no indication up to the present of any

intention to take action in this direction. Honorable members who have referred to the reports, will, no doubt, have noticed, or will have drawn the inference, that in order to give effect to them, not only will it be necessary to introduce any proposed Tariff alterations—which I need not refer to, because the recommendations have not been presented—but also to introduce amendments of the Commerce Act, the Distillation Act, and the Excise Act. I see no indication on the paper of any notices of motion in regard to these matters.

Mr. WATSON.—Why the Commerce Act?

Sir JOHN QUICK.—In regard to the introduction of inferior liquors and so on. Last session the Tariff Commission received a number of requests for progress reports, and the members of the Commission were severely criticised because they were not able to present such reports. The Commission have made very strenuous efforts to expedite their labours during the recess. The whole of the members have worked very hard in the preparation of reports, so that the House might have an opportunity at a very early stage of the session to deal with them. Three important reports have been presented, and are now in the possession of the Government, and, as the papers have been circulated, there is no lack of material or opportunity to deal with the question. If there is any desire or intention to redress Tariff grievances this session, I take the opportunity to advise the Government to make an early step in that direction. It is no use frittering away the session with a number of small general Bills, because if there is to be any redress of Tariff grievances, that redress, in my opinion, can only be found in an amendment of the Tariff. It would be very disastrous if the early stages of the session were spent in dealing with a number of minor measures, while one of the chief objects of the session, namely, the redress of Tariff grievances, was delayed until too late to be dealt with during this Parliament.

Mr. PAGE (Maranoa) [10.42].—When the report in connexion with the Hawker inquiry was presented, a request was made by some honorable members that the evidence should be printed, but the Prime Minister could not see his way, in view of the extraordinary expense, to grant the request. It appeared that the expense of printing, according to the estimate of the Government Printer, would be £135. I was one who desired to have the evidence

printed, but when the Prime Minister informed us as to the estimated cost I was fairly staggered, and did not proceed further.

Mr. McWILLIAMS.—There must be an enormous mass of evidence for the printing to cost that amount.

Mr. PAGE. — That is the estimate received from the Government Printing Office. The honorable member for Corio then made inquiries from a union printing office in Melbourne, and there the estimated cost for 1,000 copies was given at £25.

Mr. LIDDELL.—That must be under sweating conditions.

Mr. PAGE.—No; that is an estimate from a union printing office. I asked the honorable member for Corio particularly on that point.

Mr. McWILLIAMS.—It is very much more like what should be the price.

Mr. PAGE.—It has been supplied by a union printing office paying union rates of wages. We are being robbed by the Government Printing Office, or there is something radically wrong, if 1,000 copies of this paper can be printed for £25, and the Government Printer demands £135 for the work. The matter is one which should be inquired into. If the difference in price be so great in respect of one small item of printing, it would be interesting to know how much we have paid in excess for printing done in the past.

Mr. EWING (Richmond—Vice-President of the Executive Council) [10.46].—I desire to make a statement which should, perhaps, take the form of a personal explanation. The honorable and learned member for Corio to-day asked the following question of the Minister representing the Minister of Defence:—

Whether, in the appointment of an Inspector for the Military Forces, the Minister for Defence will adhere to his announcement that all appointments in the Australian Forces are to be made from Australians.

My reply to the question was "Yes." But there is a sort of double question or inference in the question as submitted by the honorable and learned member for Corio, which at the moment of answering I did not perceive. It should have been stated further that paragraph 8 of the Governor-General's opening speech describes the whole attitude of the Government with regard to these matters. It reads as follows:—

8. For over twenty years Australia has enjoyed the assistance of a number of Imperial officers for the purpose of training those in

command of our local Forces, in addition to which many of the latter have been sent to England and India for instruction. Hereafter preference in appointments will be given to Australian officers and non-commissioned officers. The policy of sending men of promise to England, India, and elsewhere for training will be continued; and arrangements have been made for the periodical exchange of our own officers with those of the Imperial Army, both in England and India, and also with the Canadian Forces. The advice and assistance of officers in the Navy and Army of the mother country possessed of special qualifications for judging our progress will be sought from time to time.

I desire to repeat this so as to make the attitude of the Government perfectly clear with regard to all appointments.

Mr. DEAKIN (Ballarat—Minister of External Affairs) [10.47].—I shall be obliged to the honorable member for Maranoa if he will supply the Government with the tender of the printer referred to. I agree with him that a discrepancy such as that which he has indicated does merit very careful inquiry. If the honorable member is able to supply the Government with the tender we shall have the matter looked into.

Mr. PAGE.—I will supply it with pleasure.

Mr. DEAKIN.—As to the very important question of the honorable and learned member for Bendigo, let me say that the Government fully appreciate the labours of the Tariff Commission, and the seriousness of the questions which they are raising. The intention is certainly to deal, in this session, and in a practical fashion, with the recommendations of the Commission, both those which have been made, and those which are expected, and which we hope to receive shortly. But I think the House will agree that it is undesirable that scattered over the business of the session there should be occasional digressions into various Tariff matters intermixed with the consideration of the measures of general importance to which the honorable and learned member referred.

Mr. WATSON.—We should deal with as many as possible of the recommendations in one amendment of the Tariff.

Mr. DEAKIN.—We hope to receive further recommendations some day next week, or at the beginning of the week after, when the draft reports of the Chairman of the Commission have been dealt with. As soon as they are in they will be considered, and when we have a sufficient bulk of recommendations to occupy the attention of the House for some little time consecu-

tively, the Government, in order that they may be dealt with and discussed as far as possible together, propose to take them in hand, and to press on their consideration as fast as possible. We think that the convenience of honorable members, both as regards their attendance in the House, and the concentration of their thought upon the recommendations of importance submitted, will be best served by the adoption of this course.

Question resolved in the affirmative.

House adjourned at 10.49 p.m.

House of Representatives.

Friday, 29 June, 1906.

Mr. SPEAKER took the chair at 10.30 a.m., and read prayers.

PETITION.

Mr. ROBINSON presented a petition from the President, Vice-President, and the Executive of the Central Council of Employers of Australia, praying that the Australian Industries Preservation Bill might be referred to a Select Committee.

Petition received and read.

PERSONAL EXPLANATIONS.

Mr. PAGE (Maranoa) [10.36].—In this morning's *Age* appears an article headed "Other Officers." It begins—

There is reason to believe that Colonel Robertson very strongly objects to the unauthorized and unwarranted use made of his name by Mr. Page in Parliament yesterday. Not only is Colonel Robertson a personal friend of Colonel Hoad's, but he is above all things desirous that his last few years of service shall be free from any exploitation of his name by anti-Australian politicians—or by any one else.

Were these unreasonable questions to ask the Minister?—

Is Colonel Robertson shortly retiring from the command of the Second Infantry Brigade; and, if so, when?

What reason does he give for retiring?

Is he retiring because he objects to a proposed new appointment?

It seems to me that those questions were absolutely reasonable. At all events, there is nothing unwarrantable in them. If I cannot ask questions of the Minister representing the Minister of Defence without

my action being termed unwarrantable, the sooner the affairs of the Defence Forces are left to the officers to be dealt with as they like, the better. The article continues—

With regard to General Hutton's adverse confidential report on Colonel Hoad

I ask the House to pay particular attention to this passage, because yesterday, when I asked the question—

Did General Hutton leave on record an unfavorable report of the abilities of Colonel Hoad; and what was such report?

the Minister's reply, although the question was a reasonable one, and could easily have been answered in the affirmative or the negative, was that the report was confidential. If it was confidential, and therefore, not to be seen by honorable members, how did the *Age* arrive at the conclusion that it was an adverse report?

MR. WATSON.—How did the honorable member get the information? I suppose that the *Age* got it in the same way as he did.

MR. PAGE.—I will say in a moment how I got it. This newspaper article not only lies, but it slanders innocent men. It says that—

One of five persons, the names of all of whom are known to the Minister of Defence, and one, at least, of whom is a Victorian politician, can alone have given to Mr. Page the contents of the ex-General Officer Commanding's biased report.

If the *Age* got from the Minister himself, as it says here that it did, its information that there was a confidential report, why was it permitted to know that the report was adverse to Colonel Hoad, while that information was withheld from the House? I got my information from the *Age* newspaper when Major-General Hutton was leaving Australia; but, knowing the wilful misrepresentations and lies published in that newspaper, I was not sure that its information was correct, and therefore questioned the Minister upon the subject. His reply was that the report was confidential.

MR. JOSEPH COOK.—How the honorable member wallops his Joss!

MR. PAGE.—Who is my Joss?

MR. WILKS.—The *Age*.

MR. PAGE.—The honorable member had one insane moment in his life when he called the *Age* my Joss. I do not know a Victorian Member of Parliament who is an

officer, and no Victorian Member of Parliament has ever given me information about the Defence Forces. The only information I have was obtained from the *Age*, and this morning that newspaper shows that the report in question has not been treated as confidential, because, although the House has not been allowed to know the nature of its contents, a representative of that newspaper must have been allowed to see it. I should not have referred to this matter had the article merely concerned myself; I do so because it was a cruel thing for the writer to suggest that five men know a certain secret, one of whom must have given it to me, and to indicate a Victorian politician as the person most likely to have done so. He is evidently not under the ægis of the *Age*, or that would not have been written of him.

MR. WILKS.—The *Age* wishes to run our Defence Forces just as it runs the Victorian Parliament.

MR. PAGE.—There can be no doubt as to what the *Age* wishes to do. This article is a wilful misrepresentation of facts.

MR. JOSEPH COOK (Parramatta) [10.41].—I thought that yesterday we had exhausted our list of grievances, but, apparently, the debate which took place then created some, and I wish, therefore, in justice to the leader of the Labour Party, to make a personal explanation regarding a statement of mine then. Yesterday, when criticising the Government for appointing Commissioners for the investigation of certain proposals with a view to seeing if they could be nationalized, I said—

We are told by the Prime Minister, the honorable member for Northern Melbourne, and the leader of the Labour Party that there is no power in the Constitution to nationalize these industries. It is one of the complaints to-day of the leader of the Labour Party that he cannot get the Prime Minister to say whether he will help them to get the power to nationalize one or two of these monopolies.

I also quoted from a speech delivered by the honorable member for Bland at Crow's Nest.

MR. WATSON.—The speech was delivered, not at Crows Nest, but at Miller-street, North Sydney.

MR. JOSEPH COOK.—The passage which I quoted, and upon which I based my strictures, was this—

Mr. Deakin's programme at present was in a state of transition, if, indeed, it existed at all. That being so, the Labour Party had a right to

be informed as to Mr. Deakin's intentions before it entered into any agreement. The party had had no clear statement on this matter from Mr. Deakin. Mr. Deakin had declared that the question of Socialism was one for the States, and that before the Federal Parliament could deal with it there would have to be an alteration in the Constitution. Under these circumstances, it was fair to ask Mr. Deakin whether he would alter the Constitution in order to make it possible to nationalize one or more existing monopolies.

I assumed from that passage that the honorable member had subscribed to the authoritative judgment of two of the Attorneys-General of the Commonwealth.

Mr. ROBINSON.—Of three of them. The honorable and learned member for Northern Melbourne gave the same opinion before he became Attorney-General.

Mr. JOSEPH COOK.—At any rate, he gave a very emphatic expression of his opinion the other evening.

Mr. WATSON.—I expressed no opinion upon the matter.

Mr. JOSEPH COOK.—I now understand that to be the case. I was wrong in assuming from the honorable member's speech that he thinks with the Prime Minister and others that this Parliament has not the power to nationalize Commonwealth industries. While making this explanation, in justice to the honorable member, I should like to add that, in my opinion, nine out of every ten persons reading the passage which I quoted would infer from it that he subscribed to the opinion which he was criticising.

FREMANTLE TOWN HALL POST OFFICE.

Mr. CARPENTER asked the Acting Postmaster-General, *upon notice*—

Is it true that the Branch Post Office at the Fremantle Town Hall has been closed; if so, what reason is given by the Department for depriving the public of this convenience, and upon whose recommendation was the action taken?

Mr. EWING.—The Acting Deputy Postmaster-General, Perth, has furnished the following information:—

The Branch Post Office at Fremantle Town Hall has not been closed; the only alteration made is that telegrams handed in to the Town Hall since the 16th May, 1906, are collected every fifteen minutes by special messenger on bicycle from the Fremantle office, and transmitted therefrom instead of from the Town Hall office. This arrangement is considered to afford more expeditious despatch than previously obtained, and was the result of a recommendation made by the senior inspector.

GOVERNOR-GENERAL'S RESIDENCES BILL.

SECOND READING.

Mr. GROOM (Darling Downs—Minister of Home Affairs) [10.47].—I move—

That the Bill be now read a second time.

When the Appropriation Bill came before the Senate last year, dissatisfaction was expressed that provision was made for the upkeep of two residences for the Governor-General. It was then pointed out that the Senate was not afforded a fair opportunity of considering the advisability of providing two residences for the Governor-General. The Minister then promised that a Bill would be introduced during the next session in such a form as to enable both Houses to deal specifically with the question of maintaining a residence for the Governor-General in Sydney, and in order to permit of the fullest and freest discussion, the Bill takes its present form. Honorable members will see that it is merely an enabling measure. It provides that the Governor-General may enter into an arrangement with the Government of the State of Victoria for the use and occupation by the Commonwealth for a period not exceeding five years of Government House, Melbourne, as a residence for the Governor-General, and that he may also make a similar arrangement with respect to Government House, Sydney. So far as Victoria is concerned, an agreement has practically been approved of for the continuance of the occupation of Government House, Melbourne, on the terms hitherto existing. No rent is to be paid, but the Commonwealth are liable for upkeep and maintenance, and at the expiration of the agreement the residence and the articles therein contained are to be handed over to the State authorities in the same good order and condition as when taken over from the State. So far as New South Wales is concerned, the original agreement has expired, and after the end of this year we shall be merely, as it were, tenants on sufferance. An appropriation has been made covering the expenditure up to the end of the financial year, and since then temporary provision has been made in Supply, pending further arrangement.

Mr. FRAZER.—Can the Minister tell us the cost of the upkeep and maintenance of the Governor-General's residence in Melbourne?

Mr. GROOM.—I shall furnish that information presently. We desired to enter

into negotiations, subject to the approval of Parliament, with a view to continuing in occupation of Government House, Sydney, on the same terms as formerly. The Premier of New South Wales then pointed out to us that the tenancy of the residence now occupied by the State Governor was about to expire, and that it would be necessary to make fresh arrangements for the accommodation of His Excellency. They asked that an agreement should be entered into—subject, of course, to the ratification of Parliament—for a certain definite term. Five years is suggested in the Bill because it is confidently hoped that by the end of that time some definite steps will have been taken to establish the Federal Capital. The Premier of New South Wales asked for an assurance that an agreement would be entered into for a certain definite term, which would justify the New South Wales Government in acquiring a residence for the State Governor. That seems to us to be a most reasonable request. We must remember that in connexion with both these Government Houses the States concerned have been treating us with the greatest generosity. We have had handed over to us these magnificent buildings, without being called upon to pay a single penny in the way of rent. All that we are required to do is to maintain them, and to hand them over practically in the same order of preservation that they were in when we received them. When, therefore, the Commonwealth was established, we found ourselves in possession of Government House, Melbourne, and Government House, Sydney. At a Conference of States Premiers, held before Federation was established, it was agreed by a majority that two residences should be provided for the Governor-General—that during the sittings of Parliament the Governor-General should reside in Melbourne and that during the recess he should reside in Sydney.

Mr. WILKS.—What does the Minister mean by a majority of the Premiers—can he give their names?

Mr. GROOM.—I am using the expression contained in a telegram forwarded by the honorable member for Gippsland, who was then Premier of Victoria, to the Premier of New South Wales. He said—

Referring to your telegram of the 8th May . . . the majority agree to residence of the Governor-General New South Wales during recess, but consider that he should visit other Colonies.

Mr. WILKS.—Has the Minister any record of the proceedings of that Conference?

Mr. GROOM.—No; that telegram is the only official record of the decision that we have. On the strength of the representations that were made, and the agreement arrived at before Federation, communications took place with the Imperial Government, and the proposal of the States was acquiesced in. The people of New South Wales justly and fairly believed that these proposals would be carried out, and on the strength of that parliamentary action was taken.

Mr. HENRY WILLIS.—New South Wales spent a large sum of money.

Mr. GROOM.—Yes. New South Wales spent a very large sum of money, and I think that they behaved in a spirit that was well worthy of the Federation. They made the most liberal provision for the celebration of the inauguration of the Commonwealth, in a manner befitting the occasion. We entered into an agreement with the States Governments of New South Wales and Victoria that we should continue in occupation of their respective Government Houses for a period of three years, with a right of renewal for a further period of two years—in other words, for a term of five years altogether. Of course, it was provided that we should be liable for the maintenance and upkeep of the houses, and hand them over at the expiration of the term in good order and condition.

Mr. JOSEPH COOK.—Is the Minister able to say whether any fixed term was agreed upon in the first instance?

Mr. GROOM.—Yes. The term of three years, with a right of renewal for a further two years. The terms of that agreement were to be embodied in a draft lease, which took some time in preparation, and is in existence to-day. We are now holding these properties upon the original terms, with the exception that, as regards the State of Victoria, we have practically agreed to continue in occupation of Government House, Melbourne, for an indefinite period, subject to twelve months' notice of termination on either side. That agreement was practically concluded at the close of last year, and a copy was immediately transmitted to New South Wales. At the same time, a discussion took place in the Senate, and a desire was expressed that the two residences should be dealt with separately. On the strength of that debate, and the promise made to the Senate, negotiations

had to be again opened up with New South Wales, and it was then agreed that we should submit to Parliament a Bill which would enable us to make a contract for a period of five years.

Mr. JOSEPH COOK.—At whose suggestion is the term fixed?

Mr. GROOM.—At the suggestion of the State of New South Wales. It was pointed out that the New South Wales Government desired to enter into a new arrangement to provide a residence for the State Governor, and naturally they wished the Commonwealth authorities to give them some guarantee that they would continue in the occupation of Government House, Sydney, for a term, because, if this Parliament refused at any time to make the necessary appropriation they might have the two establishments thrown upon their hands.

Mr. JOSEPH COOK.—The Government contemplates entering into an agreement for a definite period with the Government of New South Wales?

Mr. GROOM.—We contemplate entering into an agreement for five years. The arrangement with Victoria is subject to twelve months' notice on either side. Of course, it may be that the Premier of New South Wales will assent to the same conditions.

Mr. FRAZER.—Has he not done so up till now?

Mr. GROOM.—What is asked for is that the Commonwealth shall enter into an arrangement for a period of five years, and for the reason which I have given. That reason seems to me fair and reasonable.

Mr. FRAZER.—Does the New South Wales Premier ask the Commonwealth Government to defray the cost of providing another residence for its State Governor?

Mr. GROOM.—No; the State Government provide that. All that we are asked to do, and all that we propose, is to continue the existing lease upon exactly the same terms as have hitherto operated. We are not asking this Parliament to appropriate a single additional penny of expenditure for the upkeep of these two viceregal establishments. We shall not ask for an increase in the amount of the appropriation when the Estimates are under review. Honorable members will doubtless recollect that some time ago a discussion took place in this House as to what constituted a fair and reasonable amount to allow for the maintenance and upkeep of

the two establishments occupied by the Governor-General. Accordingly a return was prepared in which it was shown that £5,500 was absolutely the bed-rock expenditure. It was pointed out that that estimate had been made in the absence of any experience other than that provided by the short period during which the Commonwealth had been in occupation of the two Government Houses, but it was believed that their maintenance could be provided for upon that basis. Ever since then the expenditure has been kept down absolutely to bed-rock, and it has been found, with the exercise of care and economy, that the amount indicated will very nearly cover all necessary demands. Of course, there are certain amounts for non-recurring expenditure—expenditure due to the fact that we are required to keep the buildings and their contents in good order and condition. But in some instances we have been able to provide for the upkeep of the fabrics themselves out of the sum appropriated for maintenance.

Mr. FRAZER.—The Minister has not yet told us what is the respective cost of the upkeep of the two Government Houses?

Mr. GROOM.—I have said that £5,500 is considered the bed-rock expenditure for the upkeep of both establishments.

Mr. DUGALD THOMSON.—The amount of £5,750 was suggested.

Mr. GROOM.—But £5,500 was the sum agreed to as the minimum. It was stated that that was the lowest possible expenditure which could be incurred for the maintenance of the establishments.

Mr. FRAZER.—Does that represent the cost of the upkeep of each?

Mr. GROOM.—No; it represents the cost of the upkeep of both. If the honorable member will turn to the Estimates he will see that the total expenditure last year was £5,868, so that we have kept very closely to bed-rock. As I have already pointed out, a certain amount must be provided for non-recurring expenditure for which we are liable, because we are bound to hand over the buildings in good order and condition, and to replace certain things which are liable to wear and tear. If honorable members will refer to the past expenditure by the States they will find, in some instances, that the amounts which they have appropriated for the upkeep of their Government Houses are in excess of the sum I have mentioned. We are not asking for any additional expenditure in pursuance of the agreement

embodied in this Bill. We are simply continuing the existing arrangement, and there will be no expense incurred under it other than that of which we have had experience during the past five years. We ask the House to agree to the Bill, because we think that it is a just thing that we should provide for the upkeep of two Government Houses, one in Sydney, and the other in Melbourne.

Mr. McWILLIAMS.—At whose request has this arrangement been made?

Mr. GROOM.—The Premier of Victoria requested the Commonwealth Government to consider the question of whether it should not pay rent for the accommodation provided in Melbourne for the Governor-General; but since then, he has practically concluded an agreement with us under which no rent shall be charged, and we shall continue in possession of the Melbourne establishment just as we have done hitherto. I think that the States are treating us generously in this matter, and I ask the House to give us the authority to carry out the agreements contemplated by the Bill.

Mr. JOSEPH COOK (Parramatta) [11.9].—I am glad to hear the statement which has been made by the Minister in regard to this matter. I should have liked him to say, during his speech—perhaps I should have suggested it—that at no distant date—I mean this session—the question of the Federal Capital Site will receive some attention at the hands of the Government.

Mr. GROOM.—It is receiving attention now, and it will be submitted as soon as possible to the House.

Mr. JOSEPH COOK.—I am glad to have that assurance. Meantime, it strikes me that the proposal made in this Bill is a fair arrangement upon both sides. The New South Wales authorities have to provide a residence for Sir Harry Rawson, the State Governor, and I understand that they are desirous of entering into a five years' tenure of a house with that end in view. It is only reasonable, therefore, that they should ask the Commonwealth Government to occupy the vice-regal establishment in Sydney, which the State Governor is vacating, for a similar term. I suppose that the Government are following some precedent in the matter of the phraseology which is employed in this Bill. In it, I notice that they take power—it strikes me as sounding rather strange—to permit the Go-

vernor-General to make an arrangement with the State Governor.

Mr. GROOM.—In that we are only following the official means of communication.

Mr. JOSEPH COOK.—Of course, everybody understands that the Governor-General means his responsible Ministers, but I did not know that this form of phraseology entered into the question of securing of a place wherein the Governor-General might live.

Mr. GROOM.—It means that he must obtain executive authority.

Mr. JOSEPH COOK.—It is language to which one is not accustomed in our Acts of Parliament, and it shows the way in which constitutional law operates from the top to the bottom of our industrial and social order. I take it from what the Minister has said that the Government propose to enter into an indefinite agreement with the Government of Victoria, so far as the occupation of the Melbourne Government House is concerned, subject to twelve months' notice upon either side. With respect to the vice-regal establishment in New South Wales, the Government propose, at the request of the Premier of that State, to enter into an agreement for a definite term.

Mr. GROOM.—The Victorian Government may ask for the same agreement as we contemplate making with New South Wales. We are only placing the Governments of the two States upon the same footing.

Mr. JOSEPH COOK.—I think that the attitude which is assumed, both by the Government of New South Wales and that of Victoria, is an eminently fair and reasonable one. There has been some criticism levelled against the recent action of the Victorian Premier in making a claim for rent for the occupation of Melbourne Government House.

Mr. DUGALD THOMSON.—It was not the claim for rent that was objectionable, but the remarks which accompanied it.

Mr. JOSEPH COOK.—It strikes me that a mistake was made in this matter at the very outset of Federation, and this fact shows the inadvisability of allowing sentimental considerations to enter into affairs of plain business. For my part, I believe it would have been better if, at the advent of Federation, we had entered into an agreement with the Government of New South Wales, under which we should

paid for everything which that Government did to place at our disposal accommodation for the Governor-General. We should thus have put the matter upon a business basis. However, sentimental considerations were permitted to creep in, and we accepted the hospitality proffered by the Government of Victoria at the time. The result was that matters were not considered in that sharp business way in which ordinary transactions are considered. Thus it comes about that later proposals of a more strictly business character have been made, accompanied by language which gives rise to some amount of irritation. I say again that I think the Commonwealth Government ought to be under no obligation to any State of a pecuniary character. So far from that being the case, we ought studiously to avoid any such relations. We have supreme control and command of the purse of the Commonwealth, and the Government is supposed to be supreme within the limits of our Constitution. Therefore it seems to me that we ought to operate our powers independently of any outside authority, and without reference to any sentimental considerations whatever. We ought to be self-contained in every way, not only as to the place where we shall meet, but as to the payments we shall make for the privileges that we enjoy, and for every other aspect of our constitutional working. Consequently I make no complaint in respect of the proposals which are made by the Government, and which amount to this: that we simply propose to pay our way in relation to the matter of vice-regal accommodation. I do not see why the Commonwealth Government should not pay its rent just as freely and unrestrictedly as the commonest and poorest labourer in Australia has perforce to do.

Mr. DUGALD THOMSON.—The Bill does not propose that we shall pay a rental.

Mr. JOSEPH COOK.—It amounts pretty much to the same thing. The Bill proposes that we shall make a definite arrangement with the States Governments in regard to the housing of our Governor-General—an arrangement involving expenditure, if not actual rental.

Mr. WILKS.—The upkeep of the two vice-regal establishments is pretty expensive.

Mr. JOSEPH COOK.—I suppose that it is a little expensive from one standpoint, but, judged from the proper relation in which these things ought to be viewed, it is very reasonable.

Mr. GROOM.—It is very small.

Mr. JOSEPH COOK.—I should say that it is small. It is as small, or smaller, perhaps, than the expenditure upon any other establishment of the kind in the whole Empire.

Mr. WILKS.—The honorable member misunderstands me. I was referring to the difference between the upkeep of Government House by the Commonwealth and that of the establishment occupied by the State Governor.

Mr. JOSEPH COOK.—I do not know what the arrangements are in respect of the accommodation provided for the State Governor. If the upkeep and rent together were included I should imagine that they would amount to quite as much expenditure as we are under an obligation to incur here. However, I do not intend to offer the slightest opposition to the Bill. I think it is an eminently fair one. My hope is that we shall soon secure a local habitation of our own, so that we may terminate this dual relationship with the various States, and have one Governor-General's residence at the permanent Seat of Government—in the place which this Parliament will decide. I hope, very speedily, and with satisfaction to all concerned. I understand that the Government are moving in this matter at the instance of the Government of New South Wales, and that other reasons press them to ask for a definite agreement of this kind to be concluded.

Mr. McDONALD (Kennedy) [11.16].—The Bill affords one of the strongest arguments which could be advanced for the immediate settlement of the Capital Site question. If we had that question settled we might then agree upon one permanent residence for the Governor-General, instead of having a residence in both New South Wales and Victoria. There has been a good deal of trouble over this matter ever since it originated. In the first instance, when the Governor-General came to reside in Melbourne, there was a feeling in New South Wales that he ought to reside there too. That led up to the creation of a second establishment.

Mr. DUGALD THOMSON.—The Minister has just said that it was arranged before that time.

Mr. McDONALD.—At all events, when the Governor-General's Establishment Bill was under consideration, we heard a good deal of talk about the matter.

Mr. GROOM.—The question was raised on the 1st May, 1900.

Mr. McDONALD.—When the Federation of the Colonies was being considered one of the strong arguments which were advanced in favour of the proposal was that the establishments of the State Governors would be reduced, thus saving expense to the local taxpayers, and that the Governor-General's establishment would practically be the only big item of expenditure in this connexion. But we have already added two vice-regal residences to the former number. It appears to me that, sooner or later, even after we get the Federal Capital established, this will lead up to the provision of a third residence for the Governor-General, because the moment we get into the Federal Capital it will be argued that that is not a place fitted for His Excellency to reside permanently in. In the circumstances, I do not see how, after this Bill is passed, we can get out of allowing him to retain the residences in New South Wales and Victoria.

Mr. SKENE.—He would want to go to the seaside in the summer.

Mr. McDONALD.—Admitting that, he would much prefer New South Wales to Victoria. It strikes me that we are going to increase the expenditure, and have three residences for the Governor-General instead of one, ultimately—that is, when we get the Federal Capital. A few years ago there was a good deal of talk in the House concerning the expenditure in connexion with his establishment, and it decidedly refused to vote £8,000 a year for its upkeep. The expenditure, however, has gradually crept up. If we take the maintenance expenditure, together with the general upkeep of £5,000 which was promised at that time, we find that it gets very near to the £8,000 which the House refused to vote.

Mr. DUGALD THOMSON.—It is down nearly to £5,500.

Mr. McDONALD. — That is less the maintenance of the building.

Mr. DUGALD THOMSON.—Of course, the maintenance of the building was not included in the original estimate.

Mr. McDONALD. — The honorable member for Farramatta also referred to a step, which I agree with him, should have been taken up in the first instance by the Commonwealth. If we are going to rent or use any State buildings, we should pay for them, and thus know exactly where we

are. Until we adopt that plan, I do not think we shall be able to readily realize what the expenditure of the Commonwealth is going to be.

Mr. SKENE (Grampians [11.20]).—I am glad to know that there is a general approval of the agreement which has been made, and which, I think, is a very liberal one. A remark fell from the deputy leader of the Opposition with regard to the Premier of Victoria having asked for rent for Government House here. I know nothing more about the matter than what I have read in the press. I noticed that Mr. Bent made a statement that that action was taken through an arrangement entered into between himself and the Premier of New South Wales, that they should each ask for rent for the occupation of the local Government House.

Mr. DUGALD THOMSON.—He has corrected that since.

Mr. SKENE.—Was that corrected?

Mr. DUGALD THOMSON.—In this way, that it was for all the expenditure on Government Houses.

Mr. SKENE.—I do not know anything about that matter from Mr. Bent, or any one else. I am a Victorian, and would not like to see an aspersion cast on our Premier.

Mr. JOSEPH COOK.—I intended to cast no aspersion upon him.

Mr. SKENE.—Exactly. But I understood the honorable member to imply that Mr. Bent was acting in a churlish sort of way.

Mr. WILKS.—The deputy leader rather supported him.

Mr. SKENE. — Yes; but that was on a general principle. From the remarks of the honorable member for Parramatta, it would appear as if the Premier of Victoria, simply of his own volition, had been less generous in renewing the arrangement than had been the Premier of New South Wales.

Mr. JOSEPH COOK.—I did not suggest that.

Mr. LEE.—But the press did.

Mr. SKENE.—From the press, I understand Mr. Bent to have said that he and the Premier of New South Wales had agreed that they both would ask for rent for Government House, that Mr. Bent put forward some sort of request, or said that he would, and that then Mr. Carruthers did not carry out the arrangement. The Minister of Home Affairs referred to a

conference in Sydney. I wish to ask him if he knows whether the matter was proposed there in any shape, whether there is a record of anything being done then.

Mr. GROOM.—I did not refer to the Conference of Premiers in Sydney. I said that there was an arrangement amongst the Premiers, and I read a telegram of 12th May, 1900, from Mr. McLean, in which he referred to the majority of the Premiers agreeing to the proposal.

Mr. SKENE.—I thought that the Minister was referring to the Conference of Premiers in Sydney, where Mr. Bent says that they entered into some sort of an arrangement.

Mr. GROOM.—No, I was referring to the telegram of 12th May, 1900.

Mr. SKENE.—Quite so. As the matter has been mentioned here, I wish to put it on record that, as far as I understand the position, from what Mr. Bent has said, he was under the impression that he was carrying through an arrangement made with the Premier of New South Wales, and that probably the latter did not put forward a claim, because of the reception with which Mr. Bent's proposal met. I only wish, in justice to the Premier of Victoria, to put the matter in that light.

Mr. FRAZER (Kalgoorlie) [11.25].—I feel disposed to-day to congratulate the Government upon taking steps to place upon a sound basis the position of the Commonwealth in relation to the States. With the deputy leader of the Opposition, I quite agree that it is very likely to be much more satisfactory to both contracting parties if we determine by the Bill the exact relations which are to exist between the States and the Commonwealth. Up to the present time New South Wales and Victoria have treated the Commonwealth most generously. If we are to have a Governor-General—and there does not appear to be any doubt on that point—we should take the responsibility of housing him.

Mr. HENRY WILLIS.—In how many States?

Mr. FRAZER.—That is a point to which I am coming. We should do a fair thing in making arrangements for the housing of the Governor-General, and above all, we should express at this particular juncture the Commonwealth's voice. My acquaintance with public opinion of Australia leads me to think that it is to the effect that the popular expectation in pre-Federal days in regard to

public expenditure is not being realized. Most of the electors of Australia did undoubtedly believe that with the consummation of Federation there would be a decrease in the expenditure on the establishments of the State Governors, and that then the Commonwealth new expenditure would not be felt. The Commonwealth has been in existence for five years, and although we have been receiving exceptional treatment from the States, the cost of the Governor-General is, roughly speaking, £16,000 per year, and none of the State Governors has been dispensed with.

Mr. WILSON.—Have not their salaries been reduced?

Mr. SKENE.—Yes, in the case of Queensland and Victoria.

Mr. DEAKIN.—And further reductions are now proposed in some States.

Mr. FRAZER.—Certainly the reduction has not been in anything like proportion to the expenditure which has been incurred from having an additional Governor and two additional vice-regal establishments.

Mr. WILKS.—Does the honorable member want a fresh residence for the Governor-General?

Mr. FRAZER.—I think that the time has arrived when we should definitely state that there shall be only one residence for the Governor-General, and that he shall stay there.

Mr. WILKS.—In the Federal Capital, the honorable members means.

Mr. FRAZER.—I am in favour of having the Federal Capital established upon the chosen site at the earliest possible date. I am in favour of getting on with the building of the Federal city. I anticipate that the establishment of the Governor-General will be erected there. Until such time as it has been definitely decided to go on with the construction of the Federal city, the expenditure upon the Governor-General's establishment should be reduced to the lowest possible amount. If there was a promise given by the Premiers when they met in conference some years ago, and communicated to New South Wales by Mr. McLean, then Premier of Victoria, that for a number of months in each year the Governor-General should reside in New South Wales, that promise has been redeemed. It was not meant that the arrangement was to continue for ever. I think that it is the duty of the House now

to state definitely that the Governor-General shall reside permanently in either New South Wales or Victoria.

Mr. WILSON.—He must reside in Victoria in order to see the Government.

Mr. FRAZER.—I think that whilst the Parliament meets in Victoria that State should be chosen for His Excellency's residence. I do not wish to traduce in any fashion the excellent treatment which has been accorded to the Federation by New South Wales, but I think it is necessary for the Commonwealth to embrace this opportunity of reducing the expenditure in connexion with the Governor-General's establishment by at least £3,000 a year.

Mr. SKENE.—How much would it save?

Mr. FRAZER.—It will save £3,000 a year. The amount appropriated was £5,868.

Mr. GROOM.—That was spent last year upon both Government Houses.

Mr. FRAZER.—According to the Minister's speech it is anticipated that the expenditure will be reduced this year.

Mr. GROOM.—£5,500 is bed rock.

Mr. FRAZER.—Supposing that the expenditure amounts to that sum, the residence in Sydney will cost the Commonwealth over £2,750.

Mr. GROOM.—The upkeep of Sydney Government House is about £2,585.

Mr. SKENE.—That is what would be saved.

Mr. FRAZER.—It is a very desirable amount to save. In view of the accusation of extravagance which is thrown at the Commonwealth, and which, in very many cases, I do not admit to be well-founded, I see no reason why we should lay ourselves open to be charged with extravagance by agreeing to incur this additional expenditure for another term. We are assured by the Minister that New South Wales is in this position—that during this month the Government will have to make provision for housing its Governor.

Mr. GROOM.—No, during this year.

Mr. FRAZER.—If it is this year, that is better from our point of view than this month. A convenient opportunity is afforded to convenience New South Wales, and to save that State a sum which, I suppose, amounts to £3,000 or £4,000 a year for the rent and upkeep of a Governor's establishment. Does any honorable member know what rent New South Wales is actually paying for the Government House occupied by the State Governor?

Mr. LEE.—£500.

Mr. FRAZER.—I am surprised to hear that an establishment in keeping with the dignity of the State has been obtained for that sum. Even if the saving on rent will be only £500 a year, New South Wales should be enabled to make it; whilst at the same time the Commonwealth will be able to save about £3,000 per annum. I am not prepared to say whether or not New South Wales desires to save money, but judging from a communication received by the Federal Government a little while ago, I should imagine that the State is pretty short of funds.

Mr. SKENE.—Evidently she is not short of funds, because her Government makes this offer.

Mr. FRAZER.—In the communication to which I refer, it was suggested by the New South Wales Government that the Federal members should start to look for a new Federal Capital Site, and in a postscript it was courteously intimated that they were invited to bring their own sandwiches. It was like an invitation to attend a Lord Mayor's banquet, with an intimation that the guests were to take their own food and wine. It appeared to me, from that invitation, that New South Wales desires to save money. Here is an opportunity for her to do so. I am also strongly of opinion that we have arrived at a stage in our national history when no special privileges should be accorded to any particular State. We ought not to perpetuate a system whereby the Governor-General is expected to live in different States at different portions of the year.

Mr. WILKS.—We might as well buy him a perambulator.

Mr. FRAZER.—It would no doubt be a convenient means of transport. The time is opportune for us to decide that the Governor-General shall reside in Victoria while the Parliament meets here, and shall accompany the Parliament to the Federal city as soon as it is constructed. When the Bill gets into Committee, I shall take the opportunity of inviting honorable members to vote against clause 3.

Mr. WILKS.—The honorable member and I will get no more invitations from the Governor-General if we take the course suggested.

Mr. FRAZER.—I suppose that would not trouble either of us very much. The question ought to be dealt with apart from such considerations.

Mr. WILKS (Dalley) [11.35].—I agree with much that has been said by the honorable member for Kalgoorlie. In the first place, I wish to say that the title of this Bill strikes me as being rather too imposing. Instead of "Governor-General's residences," I would rather see the word "residence" used. I hope that the time will soon arrive when we shall have one residence only for the Governor-General. The people of Australia, who have neither the opportunity nor the desire to attend Government House functions, but who have to pay the bill for the up-keep of various official establishments, ought to be considered. They thought that on the consummation of Federation the expenses of the States upon Governors would be greatly diminished. I hoped that the office of State Governor would be abolished, and that the various Chief Justices would act as Lieutenant-Governors. The present cost is very great. In some of the States the Governor is provided with two residences, one in the city and one in the country. In addition to that we now have the Governor-General provided with two residences, one in Sydney and one in Melbourne. I certainly have no desire to see Sydney brought down to the level of a fishing village. If we are to have the Governor-General residing there, he certainly should occupy a residence appropriate to the dignity of his office. Government House, Sydney, occupies the most beautiful site on God's earth. I can quite understand Adelaide, Brisbane, and Perth entertaining similar opinions with regard to the Governor-General residing in them. But it is not our duty to provide a perambulating system of residences for the Governor-General. The present situation affords an additional reason why we should hasten the ultimate decision with regard to the Federal capital. When we do finally establish a Commonwealth residence for the Governor-General, I think that the Commonwealth should maintain one establishment in the Federal city, and should not be called upon to incur the expense of keeping up a second residence. The Governor-General's private residence, if he wishes to have one in the country, should be a charge on his own income. This Bill provides for the occupation of Government House, Sydney, for five years. I suggest that a provision should be inserted enabling the agreement to be terminated on twelve months' notice by either side.

Mr. GROOM.—That would not give the State Government a definite term.

Mr. WILKS.—It is a mere matter of convenience. If the Federal capital were established within five years, we should have to continue to maintain the Government Houses in the States when we did not require them.

Mr. FRAZER.—It would be difficult to impose that condition when we are getting the houses for nothing.

Mr. WILKS.—It is not difficult, because the very condition I suggest exists to-day in regard to the occupation of Government House, Melbourne. Of course, if I were acting only in the interests of Sydney, I should be willing to let this five year provision stand. But I do not wish to see anything unfair done. It is rather annoying to pick up one of the daily newspapers and find a cavilling between the State Premiers and the Commonwealth Prime Minister as to whether we should pay rent for Government House. I take the view that as a matter of justice the Commonwealth Government should pay its way, and it should certainly reimburse the State Governments for out-of-pocket expenditure. But at the same time, the occupation by the Commonwealth of the Government Houses at Melbourne and Sydney does not involve the two States in additional expenditure. The Commonwealth provides for the up-keep of these establishments, which amounts in itself to a very large rent. Indeed, the Governments of Victoria and New South Wales have made an economical arrangement by allowing the Governor-General to occupy the official residences in Melbourne and Sydney whilst they pay rent for cheaper establishments for their own Governors. The general public are not concerned as to the residences of the State Governors and the Governor-General. They are not part of the social world of which the Governor-General is the pivot. The masses of the people do not care what is done in this matter, so long as they are not involved in unnecessary expense. At the same time they do not desire to see a State placed in an unfair position. The arrangement made some years ago with regard to Sydney Government House was considered to be a compliment and an act of justice to the mother State. That was simply a set-off against the arrangement that Melbourne should be the seat of Government until the capital city was occupied. But

the taxpayers are not concerned in this arrangement, and must look with horror on the piling up of expenses.

Mr. FOWLER (Perth) [11.45].—I think this is a fitting juncture for a reminder from the Federal Parliament to the States Parliaments, and to the people of the States, that they have failed to carry out the understanding which, at the time when federation was about to be consummated, was, I think, almost universal. It was very generally understood that as soon as a Governor-General of the Commonwealth was in existence in Australia, the States Governors should be represented by some permanent officer of each State rather than by an imported gentleman who would be expected to keep up a petty vice-regal establishment, such as seems to have been the rule in all the States up to the present time. If the Federal Parliament be accused of extravagance in any direction, I think we may fairly retort on the States Parliaments that in this respect they are not only extravagant, but are continuing a totally useless and unnecessary formality in respect of these little vice-regal courts. It seems to me to be the height of absurdity that in the city of Melbourne we should have two vice-regal establishments. I am quite sure that the vast majority of the people, if they had an opportunity to express an opinion in a direct fashion on this particular issue, would speak without hesitation as to the advisability and, indeed, the necessity, of abolishing these States vice-regal courts. It is absolutely necessary for the welfare and happiness of a certain section of the people of Australia that they should occasionally tread a vice-regal carpet, or that a still more select few should put their feet under vice-regal mahogany, that might be accomplished by arranging that the Governor-General should visit the various States for a short period in each year, and in that way afford those people an opportunity to gratify their social ambition. I feel that the Federal Parliament should enter a strong protest against the continuance of these States vice-regal courts. It was distinctly understood that they should be abolished as the result of federation. We now have had federation in existence for five years, and, beyond a reduction in the salaries of some of the States Governors, nothing more effectual has been accomplished. I am informed by the honorable member for Kennedy that there was a re-

quest from a late Secretary of State for the Colonies that the status of these States Governors should not be altered or reduced.

Mr. McDONALD.—Such a request was made in the case of Queensland at any rate.

Mr. FOWLER.—That may be so, but I think that in a matter of this kind the voice of the people of Australia should be supreme. Whilst we are always ready to listen to suggestions from the Colonial Office, they should be very well grounded indeed, and I am not aware that very cogent reasons have been adduced by any one for the continuance of the States vice-regal courts. But in any case, I think it is the duty of this Parliament to remind the States Parliaments that there is a very useful reform possible of achievement in this direction, and that, apart altogether from the saving of expense, the present position is one which makes us almost a laughing stock of people elsewhere. We can very well dispense with many of these little vice-regal courts throughout Australia. I think that we should be quite content with one Governor-General's establishment.

Mr. JOSEPH COOK.—Suppose honorable members begin in Western Australia, to show us how it would work.

Mr. FOWLER.—The remarks I am making are as applicable to Western Australia as to the other States. I hope they will be taken notice of there, and that the people of that State will act upon them.

Mr. FRAZER.—I think it is likely that they will begin to do so, and early, too.

Mr. JOSEPH COOK.—It is a matter on which, I think, honorable members had better go easy.

Mr. FOWLER.—I am quite sure that the people of Western Australia are as practical and as sensible as are those of the other States.

Mr. TUDOR.—They are more practical, judging by the members they send here.

Mr. FOWLER.—If they have the opportunity they will speedily take steps in the direction I have indicated. I speak to-day simply in order to remind the people of the States that they have given enough latitude to their States Parliaments in this respect, and should now insist that the members of those Parliaments should put an end to what, to my mind, is an absurdity.

Mr. DUGALD THOMSON (North Sydney) [11.52].—Whilst the remarks of the honorable member for Perth are very

cogent as applied to the States, they cannot affect our dealing with the measure before us.

Mr. FOWLER.—I merely thought this a proper opportunity to remind the people of the States of their duty.

Mr. DUGALD THOMSON.—I quite understand that the honorable member availed himself of that opportunity. No doubt, there might and should be some reduction of gubernatorial expenditure in the States, as a consequence of the establishment of Federation. As regards some remarks which have been made, and especially by the honorable member for Kalgoorlie, as to the non-necessity for two Government Houses, I would point out that it is not altogether a question of necessity. It is a question of agreement and engagement. As the Minister has shown, prior to the consummation of Federation, an agreement was come to that the first Governor-General should have an establishment in Melbourne during the sessions of Parliament, and that in the recess he should reside in Sydney.

Mr. FRAZER.—Would the honorable member say that this Parliament should, for all time, act on the suggestion of the Premiers responsible for that arrangement.

Mr. DUGALD THOMSON.—I should not for a moment say that, but I do say that we should be bound by that arrangement, and act upon it until the Federal Capital is established, and the Governor-General's permanent residence placed there, and the sooner that is accomplished, the better I shall be pleased. Amongst the papers dealing with this subject, there is a telegram which was sent to England, from the Premiers who were met in Melbourne, at the time the delegation to the British Government from Australia were in England. That telegram is to the following effect:—

Majority agree to residence of Governor-General in New South Wales during recess, but consider that he should visit other Colonies.

Mr. WILKINSON.—Was not that from Victoria only?

Mr. DUGALD THOMSON.—It was from a majority of the Premiers. The names are given subsequently in the papers of the States, which constituted the majority referred to, and they were, Queensland, South Australia, Tasmania, and Victoria. They all agreed to that, and the decision was communicated to the Imperial authorities. There is amongst the papers a telegram from Mr. Chamberlain, acknowledging the

receipt of the telegram I have read, and in connexion with it. The first Governor-General left for Australia with instructions in accordance with that decision. It was under these conditions that the occupation of two houses was arranged for, and as has been admitted, the two States who provide those houses, have been liberal, at any rate, to the Commonwealth. Having secured that arrangement, they have sought to make it as economical as possible to the Commonwealth. I therefore think that there is something more than mere utility or necessity to be considered. This arrangement has been made, and it should be carried out, until either of the States interested foregoes its claim, or the Federal Capital is established, and the Governor-General's residence is fixed there. So much for the reason why two Government Houses are kept up.

Mr. DAVID THOMSON.—They are asking for a five years' lease now, under a new arrangement.

Mr. DUGALD THOMSON.—Personally, I shall be very glad if the Minister is able to make arrangements by which the lease proposed can be terminated in a shorter period.

Mr. DAVID THOMSON.—They should recognise that the original term has expired.

Mr. DUGALD THOMSON.—That is the term of the first arrangement, with regard to the leasing of the Government Houses, but that does not affect the undertaking agreed to. The honorable member is referring only to the agreement with respect to the leasing of these particular buildings.

Mr. SKENE.—The Bill provides that the term of the lease is not to exceed five years.

Mr. DUGALD THOMSON.—That is so; but the honorable member for Capricornia appears to be under the impression that the leases of certain buildings having expired, the arrangement with respect to the residence of the Governor-General in Victoria and New South Wales has also expired.

Mr. DAVID THOMSON.—We are asked to make a new arrangement now.

Mr. DUGALD THOMSON.—That is only with respect to the leases of particular buildings. It has nothing to do with the undertaking that the Governor-General should spend the recess, or part of it, in Sydney. That arrangement has not terminated, and nothing we do should terminate it, until the Federal Capital is established.

Of course, the original leases of particular buildings have terminated, and the Minister is in this measure dealing with the renewal of those leases. I shall be very pleased if he can make arrangements under which, if desirable, these leases may be terminable upon notice before the expiration of five years. Even though that were arranged, we could scarcely expect the Capital to be selected this session.

Mr. TUDOR.—We have selected it.

Mr. DUGALD THOMSON.—I should have said that it would not be erected and completed, as the honorable member knows it would have to be if the Governor-General is to reside there. We can scarcely expect that the Governor-General will have his permanent residence established in the Federal Capital in less than five years.

Mr. FOWLER.—I have seen a township run up in two months.

Mr. DUGALD THOMSON. — I am afraid that if the honorable member had to occupy the parliamentary buildings in that town, he would complain that he was obliged to occupy an unsanitary, unwholesome, and altogether uninhabitable place. I know something of the cost of upkeep of these houses, and can support the Minister in what he has said. It is quite true that the lowest estimate, cutting everything to the bone, was given by a previous Government as to the ordinary outlay in maintaining these Government Houses.

Mr. GROOM.—In 1902.

Mr. DUGALD THOMSON.—That was in 1902, before we had much experience, and £5,500 was named as the amount. That, of course, did not include exceptional expenditure, such as the painting of the houses all over, which must be done at intervals. The regular expense of upkeep was estimated at £5,500 a year. Of course, honorable members are aware that that amount has been considerably exceeded. When I occupied the position of Minister of Home Affairs, I recognised that the expenditure should, if possible, be kept down to the estimate of probable outlay that had been supplied. With the assistance of the officers of the Department, I endeavoured to keep down the expenditure on these Government Houses, with the result that it was reduced to, I think, about £5,800.

Mr. GROOM.—In 1894-5, the expenditure was £5,800. This year we hope that we will have succeeded in cutting it down to £5,500.

Mr. DUGALD THOMSON. — It was brought down to something very near the estimate, with the object of submitting a vote of £5,500 for the following year, and I think the Estimates were so prepared. The Minister says that he is following that course, and hopes, apart from exceptional outlay, to bring down the expenditure to £5,500. How, then, can the Federal Parliament be charged with extravagance if it maintains the two Government Houses with that expenditure? What do we find is the cost of maintaining the States Government Houses? In New South Wales there are two Government Houses provided for the State Governor, one in the country and the other in the city of Sydney, at a cost of £12,368.

Mr. FRAZER.—Still, according to the honorable member for Cowper, they pay only £500 a year for rent.

Mr. DUGALD THOMSON.—The rent does not include the expenses of upkeep. They maintain the ground and premises themselves.

Mr. BAMFORD.—Is there any real necessity for having a residence for the Governor-General in Sydney? The agreement of the Premiers is not binding upon us.

Mr. DUGALD THOMSON.—I think that any honorable undertaking of the kind into which they entered is binding on us. They were then acting for Australia, and the arrangement into which they entered was recognised by the British Government. I think that the honorable member would, in his private capacity, consider himself bound by a similar arrangement. One way in which a termination can be put to the agreement is by getting into the Federal Capital as soon as possible, and I have no doubt that he will assist us to do so.

Mr. BAMFORD.—To get to Dalgety, certainly.

Mr. DUGALD THOMSON.—The Victorian Government maintains two residences for the State Governor at a cost of £8,732, while the Queensland Government expends £7,132, and the New Zealand Government £7,000, on Governors' residences. Therefore, I do not think that the Commonwealth is justly chargeable with extravagance in this matter.

Mr. DAVID THOMSON.—The States charge it with extravagance.

Mr. DUGALD THOMSON.—It is easy to make the charge, but difficult to support it.

Mr. McDONALD.—It would be much easier to make a similar charge against the States.

Mr. DUGALD THOMSON.—On these figures a similar charge against the States would be much more accurate.

Mr. McWILLIAMS.—Against some of the States.

Mr. DUGALD THOMSON.—Whilst charges of reckless extravagance are made against the Commonwealth, it is only in very few cases that evidence can be obtained to support them, and, generally, when the means of comparison are available, the Commonwealth expenditure is seen to be much less than that of the States. I do not object to the action of the Premier of Victoria in asking for rent for the Victorian Government House, and the buildings which we occupy, though I object to the remarks with which his request was accompanied, and if we paid attention to them it would show that we consider that we have outstayed our welcome in Melbourne.

Mr. SKENE.—He did not speak officially.

Mr. DUGALD THOMSON.—Everything that he says when speaking about matters coming within the scope of his official duties is official. Of course, I know that we cannot pay attention to those remarks, because, in the generous offer of a continuance of the arrangement, we have what amounts to their withdrawal. As to the statement of the honorable member for Grampians that the Premier of Victoria has charged the Premier of New South Wales with a breach of an agreement regarding the Government Houses—

Mr. SKENE.—I did not know that there was an agreement, but I believe that there was some sort of understanding.

Mr. DUGALD THOMSON.—There was an understanding on another matter at the Conference, and if the honorable member reads the subsequent remarks of the Premier of Victoria I think he will find that what he referred to was an understanding to charge, not for the occupation of the Government Houses, but for services rendered by State officers to the Commonwealth. It has been said by some of the States Premiers that the services rendered by the States officers to the Commonwealth and not charged for are more valuable than those rendered to the States by Commonwealth officers, and not charged for. I would suggest to the Minister of Home Affairs that he should

have a statement prepared showing the value of both sets of services.

Mr. GROOM.—I have such a statement prepared.

Mr. DUGALD THOMSON.—I shall be very pleased to see it. In my opinion, the services rendered to the States by Commonwealth officers and not charged for are much more valuable than those rendered to the Commonwealth by States officers and not charged for. I think that the Premier of Victoria had in mind the arrangement to charge for services rendered by the States to the Commonwealth, and that the Premier of New South Wales did not regard the occupation of the Government Houses as coming within those services. There was merely a misunderstanding, and I think no intention of misrepresenting the position on the part of the Premier of Victoria. I am pleased that the generosity which has characterized the Victorian offer from the first is to be continued. As the guests of Victoria, we recognise its generosity in offering to the Commonwealth not only Government House, but these parliamentary buildings. I shall support the Bill.

Mr. McWILLIAMS (Franklin) [12.7].—I think that this is an occasion when the question of establishing a permanent residence for the Governor-General should be discussed, perhaps not extensively, but so that the opinions of honorable members may be obtained on the subject generally. I hold with those who take the view that we should decide now how many establishments should be provided for the Governor-General.

Mr. SPEAKER.—I must rule that that matter is not within the scope of the Bill.

Mr. McWILLIAMS.—We have before us a measure providing for the continued occupation by the Governor-General of two residences. I know that the arrangement was entered into by the Premiers of the States prior to Federation that, during the recesses of the Commonwealth Parliament, the Governor-General should reside in Sydney until the Federal Capital is built. I think that that arrangement was a wrong one, but feel that we are bound, under the circumstances, to give effect to it, as we should, in our private capacities, recognise a similar obligation. But, are we to continue to provide for two residences after the vexed question of where the Federal Capital shall be situated is settled? Parliament determined upon a site, and, had it not been for the opposition of New South Wales, we should be committed to

a choice against which I think there is now a preponderance of opinion in this House. The question is, are we to maintain two residences for the Governor-General so long as Parliament meets in Melbourne, and his official residence is here? I have always opposed the establishment of a bush capital, and I hope that, before the termination of this Parliament, the electors will be given an opportunity to express their opinions on the subject.

Mr. FRAZER.—Apparently the honorable member, although ready to keep the agreement entered into by the Premiers, will not stand by the provision in the Constitution.

Mr. McWILLIAMS.—There can be no breach of faith if we ask those who accepted the Constitution whether, in the light of fuller knowledge, they will amend it or keep it unaltered. I have always held that the Federal Capital should be located in Sydney. I think that the people of New South Wales have a claim upon the Federation by reason of the agreement entered into between the Premiers of the States that, so long as the Federal Parliament met in Melbourne, the Governor-General should reside in Sydney during the recess. A complaint is being expressed throughout Australia at the present time about the extravagance, or, if honorable members object to that term, the unusually large expenditure of the Commonwealth. I cannot at present deal in detail with the subject, but I know that every Tasmanian Department taken over by the Commonwealth has become more expensive—in some instances, the increases are very large—and less efficient.

Mr. GROOM.—Many of the Tasmanian officials taken over by the Commonwealth were paid rates of wages which could not be tolerated under Federal conditions.

Mr. TUDOR.—There was absolute sweating there, some officers receiving only £38 a year.

Mr. McWILLIAMS.—That allegation cannot be made in regard to the Defence Department, at any rate, and while the cost of that Department in Tasmania has more than doubled, its effectiveness has been altogether crippled. Throughout those parts of the Commonwealth which I visit, there is the feeling that the expenditure of the Commonwealth, especially in connexion with ornamental matters, is too great. We should, at the earliest moment possible, settle the question where the permanent residence of the Governor-General

is to be. When it is settled, there should be no other residence provided for him. Parliament will loyally and liberally vote whatever is necessary for the proper upkeep of the Governor-General's establishment, but it would be preposterous to maintain for all time residences in New South Wales, Victoria, and perhaps some of the other States.

Mr. WATSON.—The present residences cannot be retained after the establishment of a permanent residence at the Federal Capital.

Mr. McWILLIAMS.—No doubt that should be so, but the question arises, is the Governor-General to be compelled to reside permanently at a bush capital, or is he to be provided with residences in Melbourne and Sydney also? Those are points which should be considered at this juncture. We must, of course, in dealing with this matter, keep in view the arrangement of the Premiers to which reference has already been made. I trust that we shall show clearly that we have no intention of maintaining establishments for the Governor-General in Sydney and Melbourne after the Federal Capital is established.

Mr. DAVID THOMSON.—This Bill is intended to give permanency to the present arrangement.

Mr. McWILLIAMS.—The measure, if passed in its present form, will support the contentions of those who may urge that the present establishments should be continued. Personally, I hope that the Governor-General will reside in Melbourne until such time as he takes up his permanent residence in Sydney.

Mr. WATSON.—His permanent residence?

Mr. McWILLIAMS.—Yes. I look forward to an amendment of the Constitution that will permit of that taking place. I trust that this House will have an opportunity of testing that question during this session in order that the electors may be invited to arrive at a decision on the point at the end of the year.

Mr. WATSON.—The honorable member will not induce many people to vote in favour of putting a lot of money into the pockets of the Sydney landlords.

Mr. McWILLIAMS.—We shall have to discuss that matter later. In the meantime, I hope that we shall make it perfectly clear that once the Federal Capital is established no further provision shall be made for residences for the Governor-General in either Sydney or Melbourne.

Question resolved in the affirmative.

Bill read a second time.

In Committee:

Clause 1 agreed to.

Clause 2—

The Governor-General may enter into an arrangement with the Governor of the State of Victoria for the use and occupation by the Commonwealth, for a period not exceeding five years, of Government House, Melbourne, as a residence for the Governor-General.

Mr. FRAZER (Kalgoorlie) [12.18].—I move—

That the words "or until the Federal City is constructed" be inserted after the word "years," line 4.

I desire to provide that as soon as the Federal Capital is constructed, and accommodation is provided for His Excellency the Governor-General, we shall not be called upon to keep up the present establishments in Sydney and Melbourne. If the Bill were passed in its present form strong claims might be entered for the continued maintenance of these residences. I do not see how the amendment could possibly hamper the Government; but, on the other hand, I think that it will clearly indicate the intentions of this Parliament.

Mr. GROOM (Darling Downs—Minister of Home Affairs) [12.20].—I would ask the honorable member not to press his amendment. My desire is to enter into an arrangement with the States Governments for as short a period as possible consistent with the provision of residences for the Governor-General in Melbourne and Sydney. It is now suggested that we should have alternate agreements with each of the States, one being for a period of five years, and the other extending until the Federal city is established. As I have already pointed out, it will be necessary for the New South Wales Government to make arrangements for the accommodation of the State Governor, and they reasonably ask that we shall enter into occupation of Government House, Sydney, for a fixed term so that they may arrange to lease a residence for the State Governor for a similar period.

Mr. McWILLIAMS.—The Minister knows that provision will have to be made for the accommodation of the Governor-General elsewhere than at the Federal Capital for a period of at least five years.

Mr. GROOM.—Then there is no necessity for the amendment. We know that even if we were able forthwith to secure the site for the Federal Capital, a considerable

time would be occupied in laying out the Federal City, and in working out the whole scheme. It seems to me, therefore, that the amendment would be merely a placard, and would serve no useful purpose.

Mr. FRAZER.—Would it not indicate the intention of Parliament to give up the residences for the Governor-General in Melbourne and Sydney after provision has been made for him at the Federal Capital?

Mr. GROOM.—The mere insertion of the amendment would not indicate that. Our intention all through has been merely to provide temporary residences in Sydney and Melbourne. No one has ever expressed the opinion that these residences should be maintained permanently. The amendment would not in any sense be binding.

Mr. FRAZER.—Then what is the objection to it?

Mr. GROOM.—It would be absolutely purposeless, and would not accomplish what the honorable member desires.

Mr. McWILLIAMS (Franklin) [12.23].—I trust that the honorable member will press his amendment. We all know that if the Federal Capital Site were finally selected, and the work of establishing the Federal City were pushed on with all possible speed, it would not be possible to provide accommodation for the Governor-General at the permanent Seat of Government before five years had elapsed. I think that the more consideration that is given to the various matters connected with the laying out of the Federal City during the next few years, the better it will be for us in the future.

Mr. WATSON.—That could be carried too far.

Mr. McWILLIAMS.—But the honorable member for Bland does not expect that the Governor-General would be able to reside at the Federal Capital before five years has elapsed?

Mr. WATSON.—Not at all.

Mr. McWILLIAMS.—That being the case, the amendment may very well be inserted with the object of safeguarding us against the impression that it was passed with the deliberate intention of providing permanent residences in Sydney and Melbourne.

Mr. WATSON.—I think that the limitation to five years would prevent that.

Mr. McWILLIAMS.—I am afraid not, because considerable differences of opinion exist as to the agreements already entered into with New South Wales and Victoria.

The only consideration which induces me to vote in favour of maintaining a residence for the Governor-General in Sydney, as well as in Melbourne, is the deliberate arrangement that was entered into by the Premiers, including the Premier of Tasmania, which, I think, we are in honour bound to carry out. There is nothing in the Bill to prevent the period of five years from being extended.

Mr. GROOM.—That could only be done with the express authority of Parliament.

Mr. McWILLIAMS. — We know that every step taken in connexion with this matter is used as an argument why we should proceed further. If the amendment be adopted, it will clearly express to any future Parliament the intention of this House that the residences in Melbourne and Sydney should not be maintained after provision has been made for the accommodation of the Governor-General at the Federal Capital. When that stage has been reached, neither Victoria nor New South Wales will have any claim in regard to the Governor-General other than could be put forward by the other States.

Mr. GROOM.—The amendment might have the effect of carrying the arrangement over a period longer than five years—we might make an agreement extending over ten years.

Mr. McWILLIAMS.—If this measure is necessary, another Bill will have to be introduced five years hence, provided that the Federal Capital has not been established. The amendment can do no harm, but, on the other hand, will show that we do not, in any shape or form, countenance the maintenance of residences for the Governor-General in Melbourne or Sydney after the establishment of the Federal Capital.

Mr. TUDOR (Yarra) [12.28].—I hope that we shall be able to adopt an amendment that will achieve the object of the honorable member for Kalgoorlie. Honorable members contend that an agreement has been entered into by which it is necessary for us to maintain two residences for the Governor-General, and I am afraid that unless an amendment such as that indicated is inserted in the clause, we shall be called upon to continue the present arrangement, even after the Federal Capital has been established. The principal obstacles in the way of a settlement of the Federal Capital question are being presented by the representatives of New South Wales, particu-

larly by the members of the State Parliament. If they had been reasonable in their attitude, we should not have been under the necessity of dealing with a measure of this kind. I think that the honorable member for Kalgoorlie might go a step further and propose that clause 3 should be struck out altogether, with a view to enacting that the Governor-General shall reside at the Seat of Government.

Mr. McWILLIAMS.—We must stick to our agreement.

Mr. DUGALD THOMSON.—That would mean that the Governor-General would have to reside in Melbourne during the whole of the time, and not go to Sydney at all.

Mr. TUDOR.—I desire that the Governor-General should reside at the Seat of Government for the time being. I am not speaking of this matter from the Victorian stand-point. I have always maintained the same attitude in regard to it. We were promised that with the advent of Federation the offices of the States Governors would be abolished. The very persons who are to-day denouncing us for the expenditure incurred in the maintenance of these vice-regal establishments are themselves extravagant. I trust that the honorable member will adhere to his amendment, and that the House will decide that the Governor-General shall occupy only one Government House.

Mr. JOSEPH COOK (Parramatta) [12.31].—I should like to point out to the honorable member for Kalgoorlie—I do not pretend to be an expert in grammatical construction—that his amendment, if carried, would possibly permit of the extension of the term that is specified in the Bill.

Mr. FRAZER.—It would give the Government that right.

Mr. JOSEPH COOK.—Speaking upon the question of whether any limitation should be imposed beyond what is implied in the Bill, may I point out that action is now being taken by the Government, because of local arrangements which are being entered into in the States chiefly concerned. But let us assume that within three years the Federal Capital were set up in New South Wales. The Governor-General would then be compelled to leave his present residence in Sydney, and to live at the Seat of Government, but it would not effect any saving to the State Government, because they would already have leased a residence for the State Governor.

Mr. SKENE.—Twelve months' notice would cover that.

Mr. JOSEPH COOK.—That is not provided for.

Mr. SKENE.—I understand that it is to be provided for.

Mr. JOSEPH COOK.—The Bill is drafted in its present form, because Mr. Carruthers, the Premier of New South Wales, desires to lease a residence for the State Governor for a period of years. No doubt some arrangement could be made later on, but lest it could not, it would be well to leave the hands of the Government free, because if the New South Wales authorities had entered into an arrangement, the adoption of the amendment would have the effect of increasing instead of lessening, the expenditure that would be incurred. From whatever stand-point the honorable member's proposal may be regarded, its acceptance would undoubtedly mean an increased instead of a diminished expenditure.

Mr. MCWILLIAMS.—It would not.

Mr. JOSEPH COOK.—It would. Suppose that within three years the Seat of Government were established in New South Wales. That would require the Governor-General to immediately vacate Government House, Sydney, for the purpose of residing in the Federal Capital.

Mr. DEAKIN.—I think that we can overcome the difficulty if the honorable member will permit my colleague to make a statement.

Mr. GROOM (Darling Downs—Minister of Home Affairs) [12.35].—I understand that the honorable member for Kalgoorlie does not desire in any way to restrict the power of the Government to enter into an agreement with the New South Wales authorities, or to unduly extend the duration of the arrangement specified in the Bill. He merely wishes it to be understood that the measure is intended to provide only for the temporary residence of the Governor-General pending the establishment of the Federal Capital. That is an attitude with which the Committee will agree. The Bill is merely a tentative measure for the purpose of providing the Governor-General with a residence until such time as the Federal Capital has been erected. I think it will meet his view if, in the preamble of the Bill, before the words "Be it enacted" we insert the words "for the purpose of providing residences for the Governor-General, pending the establishment of a Federal Capital."

Mr. FRAZER (Kalgoorlie) [12.36].—The suggestion of the Minister of Home

Affairs accords with my own views, and, with the concurrence of the Committee, I should like to withdraw my amendment.

Amendment, by leave, withdrawn.

Clauses 2 and 3 agreed to.

Preamble.

Amendment (by Mr. GROOM) proposed—

That before the words "Be it enacted" the following words be inserted:—"For the purpose of providing residences for the Governor-General, pending the establishment of the Federal Capital."

Mr. JOSEPH COOK (Parramatta) [12.38].—I hope that I shall not be regarded as having any desire other than to make the best possible arrangement in connexion with this matter. At the same time, I wish to put before the Minister a suppositious case. Assuming that within three years the Federal Capital were established 120 miles distant from Sydney, would the Governor-General be compelled to forsake his residence in Sydney and to reside at the Seat of Government before the agreement had terminated?

Mr. GROOM.—This Bill would not compel the Governor-General to live anywhere.

Mr. JOSEPH COOK.—The preamble itself contains a limitation.

Mr. GROOM.—That would not affect the matter in the slightest degree.

Mr. DEAKIN.—Parliament would decide that question by the simple process of either voting or refusing to vote supplies for the maintenance of the Governor-General's establishment in Sydney.

Mr. JOSEPH COOK.—I only wish to obviate the necessity for expenditure being incurred in two places for a short term of, say, two years.

Amendment agreed to.

Preamble, as amended, agreed to.

Title agreed to.

Motion (by Mr. GROOM) agreed to—

That the Standing Orders be suspended to enable the Bill to pass through all its remaining stages without delay.

Report adopted.

Bill read a third time.

KALGOORLIE TO PORT AUGUSTA RAILWAY SURVEY BILL.

SECOND READING.

Mr. GROOM (Darling Downs—Minister of Home Affairs) [12.41].—I move—

That the Bill be now read a second time.

This measure is one which has been before the House upon several occasions. It has also been before the Senate. Its object is well known to honorable members. It is

being re-introduced in the form in which it appeared upon a former occasion. Its object is not to authorize the construction of the Transcontinental Railway, but simply to provide for an appropriation of £20,000 to enable proper surveys to be made, which will put the House in possession of information that is absolutely essential to enable it to express a sound judgment upon that very important undertaking. The Bill provides that the Minister may cause a survey to be made of a route to connect by rail Kalgoorlie in Western Australia with Port Augusta in South Australia. It then goes on to authorize the expenditure of the necessary sum of money. In 1904 the Bill passed this House by a considerable majority. It has received the sanction of every party in this Chamber, so far as it is possible for a party to be represented by executive authority. Originally introduced by the first Deakin Government, it was afterwards taken up by the Watson Ministry, and when the Reid-McLean Government were in office they advanced it through its remaining stages, and it was transmitted to the Senate. The measure was discussed in that Chamber in 1904, and again last year. Upon the last occasion the Senate resolved to the effect that the Bill should not be proceeded with until South Australia had given parliamentary sanction to the construction of the line through its territory. Since then we have communicated with the South Australian Government upon the matter, and have received the following reply from Mr. Price, the Premier of that State:—

Sir,

In reply to your letter of the 7th instant, respecting the proposed railway from Port Augusta to Kalgoorlie, I have the honor to refer you to my telegram of 1st March last, and to say that this Government has no objection to the survey as therein notified, but cannot undertake to consider a Bill for submission to Parliament in the absence of information as to the route and terminal points of the railway.

That is to say that, so far as South Australia is concerned, she is not hostile to this Bill. In fact, I believe that the people of that State favour the construction of the Transcontinental Railway. The only point with them is that they do not care to commit themselves to any scheme until they know the route that is to be followed, and possibly the cost of the construction of the proposed line. That is the very information which, under this Bill, we are asking the House to give us authority to ob-

tain. We hold that the building of the Transcontinental Railway is a great national work, which is worthy of the attention of this House, and which ought to be regarded from a Federal stand-point. It is an undertaking which ought not to be rejected until honorable members have been afforded an opportunity of arriving at a sound judgment upon it. It has often been asserted that the line is intended merely to benefit Western Australia. That is not the way in which we ought to regard a great national undertaking. We should approach it from a Federal stand-point. We should also regard it from an historical stand-point, with a view to ascertain the reasons why this Bill now becomes before the House for consideration. I am free to admit that, when I first considered this project, I was inclined to take up a critical attitude in respect to it. But I felt that inherently it appealed to one's Federal instinct as being the right thing to do. Since the proposal was brought before the House, I have had the advantage of visiting Western Australia, going through the country to be traversed by the line as far as it was possible to go by rail, and consulting with the people of the State on the project. I, as a representative of Queensland, desired to look at the question from the Western Australian stand-point, in order to be able to give a judgment fairly and honestly according to the facts. I feel absolutely confident that the people of Western Australia are only claiming that which from a Federal stand-point is a fair and reasonable thing to accord to them. In Western Australia I made some inquiries, and I found that when the State was asked to consider the important question of whether she would enter the great Australian union, certain aspects were submitted for her consideration. Separated as she virtually was from the eastern States by a sea journey, and developing her own territory, she almost seemed to be complete within herself as a centre of government. On the face of things, as far as economic conditions were concerned, there did not appear to be any special reason for inducing Western Australia to join the Union from any material advantage she was likely to gain. But of course, from the national and defence points of view, there were many reasons to actuate her in taking that step. As far as I can see, after looking closely into the question, there was no State which gave a

more patriotic decision than Western Australia did when she decided to throw in her lot with the others, and form a great Australian nation under the Crown. From the stand-point of the people of Western Australia, undoubtedly one of the chief advantages which they would gain from joining the union was that they would get railway connexion with the other States. The temporary advantage of the expenditure of a little money does not appear to have been the motive which actuated them. Unless we have commercial means of communication, unless we have means by which people can move freely from State to State, no real Federation has been accomplished. The idea in establishing the Federation was to obtain freedom of commerce and intercourse amongst the peoples in the union. It is true that the people of Western Australia had communication by sea with the eastern States, but that is only one of the avenues of trade and commerce, and in times of war it would be most seriously affected. The people of Western Australia say, "Just as you have a telegraphic system extending all over Australia, and forming, as it were, a nerve system for the whole of the union, so it is necessary to have arteries and veins, so that the life blood of the nation may pass freely through them. We are not one whole people until every part of Australia is linked together by commercial highways." They are only making to us a fair and reasonable appeal from the Federal point of view when they press this claim very strongly upon us. During our visit they asked, "What is our position at the present time? We are absolutely isolated. We are practically just as much an island as is New Zealand. There is no more organic connexion between the eastern States and our State at the present time than there is between Australia and New Zealand. There is a vast area of land connecting us, it is true, and if you will only construct a railway across that country you will give us that link or bond which will enable us to become real members of the great Australian union." When we are forming an Australian nation we cannot overlook these considerations. We cannot simply regard this proposal as a mere expenditure of public money, and say, "Oh, it means that Queensland will have to contribute £2,000 or £3,000 towards the outlay; that will not benefit us, and therefore we ought not to assent to the proposal." Again, from the New South Wales stand-point, a similar argument should not be used.

Groom.

What we have to consider are the facts placed before the people of Western Australia when they contemplated joining the Union. When it is sought to establish a federation there are many things which cannot be included in the legal bond or contract. Even this morning, what attitude did we take up in respect to the Governor-General's residences? The House acted in a Federal spirit in this matter. When it came to deal with the claim of the great State of New South Wales, we did not argue that because it was not mentioned in the Constitution, therefore we should not honour the promise that was made. The attitude which honorable members took up this morning in agreeing to the Bill to provide a residence for the Governor-General in New South Wales, was simply this: We realize that when the proposal to establish the Commonwealth was made, there were certain moral hopes or promises which were held out to the people, and that they are just as much matters of national honour as is anything which could have been put in the written bond. If these hopes and aspirations were held out to any portion of the Commonwealth, it behoves us, as a nation, to do our best to honour them. We have passed from the six States stage, let us hope, into the Australian stage, and do not desire to have the feeling engendered in the mind of any portion of the Commonwealth that it is not receiving justice at the hands of the majority. And the more remote a State is from the Seat of Government, the more jealous we ought to be in guarding its position, and seeing that whatever hopes it has which are based on any substantial ground, shall be honored. Any one who takes up the records can realize that leading Australians who communicated with, and spoke in, Western Australia, as leaders of the Federal movement, would be more or less regarded in the nature of holding out fair promises which might be expected to be honoured by the people when the Federal Parliament was established. The people of Western Australia, relying absolutely and fully upon these promises, entered into an indissoluble agreement. They tied their hands absolutely when they decided to become for all time members of a great Australian Federation. We must, therefore, treat them with that justice and that spirit of fairness and equity to which they are entitled under the conditions. To-day, we are not asking the House to go so far as

to sanction the construction of this railway. All we are asked by the State to do to-day is to obtain that amount of information which will enable the House to come to a sound judgment, so that, even if the House in its wisdom should see fit to reject the scheme, the rejection will not result from the operation of an anti-Federal spirit, but simply from the exigencies of the case. That is the position which we ask the House to consider. If it refuses to pass the Bill, it will be practically closing its eyes to the facts. It will be absolutely refusing to grant to Western Australia even the courtesy of an investigation of its claim.

Mr. LONSDALE.—Let them pay for the survey.

Mr. GROOM.—Was that the way in which the honorable member was met to-day? When honorable members were asked to agree that a Governor-General's residence should be established in Sydney, did they say, "Let them pay for it"? When it was decided that the Seat of Government should be in New South Wales, did the people in Victoria say—

Mr. LONSDALE.—That is in the bond.

Mr. GROOM.—Then the honorable member who poses in the House as an angel of purity and charity asked us to keep the letter of the bond, but in this matter, he does not ask us to act in a Federal spirit. From what I know of him I am perfectly assured that there is inherent in him a sense of justice. I believe that when he realizes the fact that the people of Western Australia had been encouraged by the promises of those in authority—

Mr. McWILLIAMS.—By whom?

Mr. GROOM.—By leaders who, in a sense, spoke with authority.

Sir JOHN FORREST.—The leader of the Opposition was one of them.

Mr. GROOM.—That is so.

Mr. LONSDALE.—We have only statements made by individuals.

Mr. GROOM.—There were statements made by the honorable member for Adelaide, when Premier of South Australia, by a subsequent Premier of the State, by Sir Josiah Symon, and I think by the present Prime Minister of the Commonwealth.

Sir JOHN FORREST.—And by the right honorable member for East Sydney.

Mr. GROOM.—The late Prime Minister, when he was recently over in Western Australia, and investigated the claim on the spot, was so thoroughly satisfied that he was of the opinion that all we should do

was simply to draw a straight line from point to point, and order the railway to be constructed.

Mr. KELLY.—But the statement was made years after the Federation was accomplished.

Mr. WILSON.—And now the Treasurer says that the leader of the Opposition did not work for it.

Mr. GROOM.—My honorable colleague I am sure never made any such statement as that.

Mr. JOSEPH COOK.—I understand that the Treasurer has complained.

Mr. LONSDALE.—He is thoroughly ungrateful.

Mr. GROOM.—I am perfectly sure that honorable members will judge the case on its merits, and not in the light of statements which may be bandied to and fro.

Mr. WILSON.—We do.

Mr. GROOM.—I ask honorable members to pass the Bill in order to enable a proper investigation to be made.

Mr. WILSON.—Postpone the consideration of the Bill for fifty years, and we may consider the proposal.

Mr. GROOM.—Western Australia has done everything which it possibly could in order to treat the Commonwealth in a generous spirit in carrying out its work. After Federation was accomplished in 1901, the State, at its own expense, caused special inquiries to be instituted in order to give its people the fullest possible information. Special reports were made by Mr. O'Connor, one of the finest engineers whom I think Australia has even seen, and whose works will stand through all time as an eloquent testimony to his great engineering capacity and skill. I refer particularly to the magnificent work which he did in Fremantle Harbor, and to that, perhaps, still greater work, the designing and execution of the Kalgoorlie and Coolgardie water scheme. These two schemes alone mark Mr. O'Connor out as a man whose word is worth considering. According to the report which he made to the Government of Western Australia in 1901, he estimated that the construction of the railway would cost about £4,400,000. That estimate was subsequently confirmed by the reports of engineers who were appointed by the Commonwealth to investigate the matter. When they estimated the cost at about £4,500,000, and anticipate, after ten years, it will realize a profit of £18,000. It will be seen, therefore, that Western Australia was eager to appoint

competent persons who should fearlessly investigate the merits of the project, and make a proper report in order to put us in possession of all the facts. The State also obtained a further report from Mr. Muir, who went over the route of the line as far as it was possible to do.

Mr. WILSON.—Has the Minister ever read the Treasurer's report of his ride over the route of the line? Read what he says about the country.

Sir JOHN FORREST.—I wish that the honorable member would read it.

Mr. WILSON.—I have read it. The right honorable member searched the country for water, and thanked God when he got a bucketful.

Mr. GROOM.—Mr. Muir made a full report. Western Australia, therefore, has treated the Federation fairly. She sent her own officers to thoroughly investigate the country, as far as they could, and placed the House in possession of extremely valuable information in the shape of their reports. In addition to that, her Parliament passed an Act giving the consent of the State to the survey of the line. The preamble to the Act ought to be borne in mind by this Parliament, because it voices honestly and fairly the hopes and aspirations of the people of the State. It reads as follows:—

Whereas the people of New South Wales, Victoria, South Australia, Queensland, Tasmania, and Western Australia, being desirous of securing closer union and the benefits of mutual protection and defence, and being desirous also of enjoying the advantages of freedom of trade, commerce, and reciprocal intercourse, have, by the Commonwealth of Australia Constitution Act, formed one Federal and indissoluble Commonwealth: And whereas, in furtherance of these objects, power has been conferred upon the Parliament of the Commonwealth to make laws for the construction and extension of railways in any State with the consent of such State: And whereas on the faith of the early construction of a railway to connect the western and eastern portions of the Commonwealth, by means whereof they could enjoy the full benefits of such union, the people of Western Australia did agree to the said Constitution, and to form part of the Commonwealth: And whereas, to enable the Parliament of the Commonwealth to execute and maintain those essential provisions of the Constitution which were intended to confirm the people of this portion of the Commonwealth in that assurance of protection and defence, and the advantages of postal and commercial intercourse, and of freedom of trade by land and by sea, which are enjoyed by members of the Commonwealth elsewhere, it is desirable to authorize such Parliament to construct a railway as aforesaid: Now, therefore, be it enacted, &c.

Sitting suspended from 1 to 2 p.m.

Mr. GROOM.—Incidentally, I might mention that the whole distance from Fremantle to Adelaide is 1,746 miles. Already there has been constructed a railway from Fremantle to Kalgoorlie 387 miles, and another line from Adelaide to Port Augusta 259 miles, leaving a distance of 1,100 miles to complete the transcontinental scheme. The engineers have reported in favour of a gauge of 4 ft. 8½ in., and the State of Western Australia has undertaken, if the Commonwealth builds the connecting line, to extend the gauge on the railway from Fremantle to Kalgoorlie.

Sir JOHN FORREST.—Western Australia has undertaken to make the gauge on that line conform to whatever gauge is adopted by the Commonwealth.

Mr. GROOM.—Yes, Western Australia is prepared to incur that extra expense to meet the requirements of the Australian Parliament. When this question was under consideration by this Parliament on a former occasion, the House desired to have the lands reserved for twenty-five miles on each side of the line, in order that it might not be alienated. To meet us in that respect, Western Australia, on the 26th October, 1904, passed resolutions reserving the land in question. In addition to that, Western Australia has shown faith in the line by an undertaking she has given, dated 18th May, 1904, to the effect that, for ten years, if the line is not paying, she will bear a share of the loss. The Western Australian Premier announced that decision in the following telegram:—

On condition that Commonwealth is allowed a free hand as to route and gauge of railway, this State will be prepared for ten years after line constructed to bear a share of any loss in excess of our contribution on a population basis. It would be premature to fix exact proportion we are prepared to pay at this stage, but I am confident that it will be liberal, and satisfy the Federal Parliament of our sincerity in this connexion, and our belief that the work will soon be a directly paying one.

Western Australia even went so far as to hold out inducements to South Australia in the way of indemnifying that State against loss. I may further announce that, through the honorable member for Kalgoorlie, the State Premier has been asked whether, in case the survey was authorized, the State Parliament would do anything in the way of fitting out a prospecting party to accompany the

surveyors. The following telegram has been received from the Premier of Western Australia on that point:—

In response to wire from Representative Frazer asking if Government could see way clear to announce that Government prospecting party would accompany survey party test either side route proposed transcontinental railway for mineral deposits, have replied stating Government would be willing to assist on lines indicated his wire.

That telegram shows that the honorable member for Kalgoorlie, who has ever kept in view the interests of his own State, but who, at the same time, has always taken a Federal view of other matters, has secured from the Western Australian Government an assurance that full advantage will be taken of the survey from the prospecting point of view. Western Australia is not acting in this manner from any purely selfish stand-point. She is, I am satisfied, looking at the matter from a Federal point of view, and desires to afford us every opportunity of ascertaining whether we are justified in doing what it is proposed to do. I have now shown the steps that have been taken in this matter, and I think it is hardly necessary for me to elaborate the points at issue to any great extent. I may, however, remark that, in my opinion, the Western Australian people are entitled to this railway for several good reasons. The first is on account of the Federal aspect of the question. From an Australian stand-point—leaving the special Western Australian interests out of consideration altogether—I think the survey ought to be made. Secondly, from the point of view of defence, the line ought to be constructed. If honorable members take the trouble to look at the report obtained from the military authorities in 1903, they will find that Major-General Hutton put this aspect of the case very strongly. He states in his minute on the subject—

The contemplated extension of railway communication between Kalgoorlie in Western Australia and Port Augusta in South Australia, is, from a strategical and military point of view, of unquestionable value. The isolation of Western Australia, without direct land communication with the other five States of Australia, will, in time of war, cause a general feeling of insecurity. Under the existing circumstances, Western Australia, for purposes of co-operative military assistance from the other States, is as far distant from direct means of reinforcement as New Zealand is from the Eastern States of Australia.

In order, however, to correctly view the present construction of the railway in question as an important factor in the defence of the Com-

monwealth, it will be well to consider the special importance of Western Australia in the eyes of foreign powers, and the description of attack to which Australia is subject, and to meet which intercommunication between the States by land must be regarded as of paramount value.

Then he goes on—

The potential wealth of the gold-fields and the vast extent of valuable and unoccupied land in the territories of Western Australia render the acquisition of that portion of the Australian continent a most valuable prize to foreign nations. The strategical situation, moreover, of Western Australia, dominating, as it does, the southern side of the Indian Ocean, and the converging trade routes from the West, must be considered as of the greatest importance to British and Australian interests.

In addition to that, the right honorable member for Swan has placed a memorandum on the papers embodying an extract from a report from Major-General Edwards, then commanding the British troops in Hong Kong. This report was furnished to Governor Sir W. C. F. Robinson. Major-General Edwards states—

No general defence of Australia can be undertaken unless its distant parts are connected with the more populous colonies in the south and east of the continent. If an enemy was established in either Western Australia or at Port Darwin, you would be powerless to act against him. Their isolation is, therefore, a menace to the rest of Australia. . . . The interests of the whole continent, therefore, demand that the railways to connect Port Darwin and Western Australia with the other colonies should be made as soon as possible.

The military authorities whom I have quoted, considering the question absolutely from a national stand-point, give, in my opinion, excellent reasons why we ought, at all events, to survey the route of the proposed railway. At this stage I am not asking that the construction of any line shall be proceeded with. I am simply asking that the matter shall be properly investigated.

Mr. KELLY.—We have to consider the expense as well.

Mr. GROOM.—Exactly; we are asking for an investigation to enable us to determine whether the expense is justifiable.

Mr. CARPENTER.—The present estimate is too high.

Sir JOHN FORREST.—Hear, hear.

Mr. GROOM.—The engineers, in their report, tell us that they have erred on the side of caution, so that there may be no mistake about it. An investigation of the route may prove that the cost of constructing the line will be much less than has been supposed. Even, however, if an honorable member were inclined to oppose

construction of the railway, that would be no reason for resisting an investigation of the route. It is not a question of one State against another State. It is merely a question of whether there shall be a fair investigation of what is asked by Western Australia on the merits of the proposal.

Mr. KELLY.—The honorable gentleman said this morning that there was a Federal bond which must be observed.

Mr. GROOM.—I certainly said that we had to look at the matter from a Federal stand-point, and I say so still. Inducements were held out to Western Australia to enter the Federation, and she was assured that the railway would be constructed. If honorable members would go to Western Australia and investigate this matter impartially, ascertaining the views of the people, as I myself have done, as far as I could in the time that I could spare for the purpose, they would find that the promised construction of this railway was a distinct factor in inducing the electors to accept the Federal Constitution; just as in New South Wales the people were induced to accept the Federal Constitution on the undertaking that the Federal Capital would be located in that State. The only difference is that in the one case the bond was embodied in a written contract, and in the other there was an understanding.

Mr. KENNEDY.—Who had power to pledge the Commonwealth in that way?

Mr. GROOM.—No one actually had that power, and in the same way no one had power to give a pledge to New South Wales that a second residence for the Governor-General would be provided in New South Wales.

Mr. FOWLER.—Responsible men raised the point in Western Australia.

Mr. GROOM.—Exactly, and it is essential, at the beginning of our national life, that we should give no just cause of complaint to any large body of our people who have entered into the Federal agreement under the belief that they were to be treated by the Federal Parliament in a certain manner.

Mr. KENNEDY.—Victoria passed a Bill with the object of getting something for some of her citizens under the belief that the Commonwealth would pay the expense.

Mr. GROOM.—And that measure was carried out. Every provision of it has been carried out.

Mr. KENNEDY.—But at the expense of Victoria.

Mr. GROOM.—Yes, because, as a matter of law, that was all that Victoria asked. She never asked that the money should be paid by the rest of the Commonwealth.

Mr. KELLY.—Why should not the cost of this survey be borne by the States of Western Australia and South Australia?

Mr. GROOM.—Because it is a matter of national concern; and therefore I am sure that the honorable member for Wentworth will repeat the vote which he gave on a previous occasion in favour of the second reading of this measure. Another reason that can be advanced is that the line will open up new country. A misapprehension prevails as to the character of the country that would be traversed by the line. Mr. Muir, who has to some extent investigated the route, reports emphatically on this point. I will quote what he says about part of it—

I was led to believe, prior to starting this trip, that the country to be traversed consisted almost entirely of a desert, composed of sand-hills and spinifex flats. This impression proved, however, to be perfectly erroneous, unless a waterless tract of country, though well-grassed and timbered, can be called a desert.

Mr. KELLY.—Is that in agreement with the book written by the right honorable member for Swan?

Mr. GROOM.—It is an extract from a report by Mr. Muir, who made his investigations on the spot. He goes on—

To the north, near the 31st parallel of latitude, the country is more open. In fact, from the South Australian border for 250 miles in a westerly direction, it is one large open plain of limestone formation, fairly well grassed throughout.

Taken as a whole, this stretch of country is one of the finest I have seen in Australia, and, with water—which doubtless could be obtained if properly prospected for—it is admittedly adapted for grazing purposes, and will, without doubt, be taken up some day from end to end.

Mr. KENNEDY.—If the country is so magnificent, why is it not settled?

Mr. GROOM.—One of the reasons is that there is no proper railway communication, and another is that the country is too far from the seaboard.

Mr. KELLY.—Is there not equally good country far from the seaboard in the other States?

Mr. GROOM.—No doubt there is; but perhaps the honorable member will allow me to answer one question at a time. Mr. Muir says with regard to the water supply—

Apart from the facilities that would be afforded to railway construction, and the maintenance of the railway service when completed, by artesian

water being struck on this waterless tract of country, it would be of incalculable profit to the State in another direction. At present there are millions of acres of splendid pastoral land lying idle in this portion of the State, solely because water has not been conserved. Once let it be known that artesian water has been discovered, and what is now nothing better than a waste would be transformed in a very short space of time, into one of the most important stock-raising centres of our State.

A report was obtained from Mr. Castilla upon the possibilities of the water supply. I will quote the last paragraph from it. It was published in Western Australia on the 19th July, 1904. Mr. Castilla says—

In the course of my duties, I examined over 10,000,000 acres of country, well fitted, given water for pastoral settlement. Our bores have demonstrated that water exists, and I think that there is a very much greater area available.

These are reports from men who are competent to judge, and they show that the country is not such a desert as it is stated to be. They certainly justify us in asking that a proper investigation of the route of the proposed railway should be made, not only for reasons of defence, but also because there is a possibility of the opening up of valuable country. When the country is examined it is quite possible that valuable mineral deposits will be revealed. If the line be constructed, we shall secure better postal communication between the States at each end of it; the cost of maintaining telegraphic communication between the Eastern States and Western Australia will be reduced, seeing that a telegraph line erected along the railway could be looked after with less expense; better means of communication will be provided between the States for the travelling public, and trade and commerce will be promoted and extended. The returns we have of the progress and development of Western Australia show that when the engineers hold out a prospect of increased trade, as the result of the construction of the proposed line, we may have every confidence that their reports are justified. The State of Western Australia has a wonderful record. It has yielded to date no less than £67,739,016 in gold. There is a large increase taking place in the numbers of stock depastured in the State. In cattle alone the increase has been from 199,793 in 1896 to 561,490 in 1904. As regards land settlement, Western Australia has splendid returns to show. In 1897 there were 31,489 acres under wheat, and in 1905 the area under wheat

was 182,080 acres. The total area of land devoted to agriculture in 1897 was 111,738 acres, and it had increased in 1905 to 327,391 acres. In 1896 the value of the deposits in the Government Savings Bank in Western Australia amounted to £460,611, and in 1905 to £2,207,296. The export and import trade of the State grew from £8,143,783 in 1896 to £16,272,528 in 1905. The population of the State in 1896 was 122,696, and in 1906 it had increased to 250,207. These returns show continual progress and advancement. Every addition to the population of the State means greater development of the territory and a better prospect of the proposed railway becoming a paying line. With every addition to the population in Western Australia there is an increased obligation upon us to afford the people there all the facilities for communication with the Seat of Government of the Commonwealth that are possessed by the people of the other States.

Mr. KENNEDY.—Why not let the State, if it has such possibilities, make this line?

Mr. GROOM.—The State of Western Australia is quite prepared to do all it can in the matter.

Mr. FOWLER.—We could only build the railway into the middle of the desert which has been spoken of.

Mr. GROOM.—If the construction of the line were a State matter, two States would be concerned in it; but it is not merely a matter of State, but of national concern. In putting these facts before honorable members, I am not asking them to commit themselves at this stage to the construction of the proposed line. The people of Western Australia claim that certain inducements were held out to them to join the Federation, and that it is now a fair and reasonable thing to ask for the investigation for which this Bill makes provision. The Government are asking the House to view the matter from an Australian stand-point—to realize that each State is entitled to consideration, and that, where necessary works rise out of purely State into national importance, the Federal Parliament should give them the consideration to which they are entitled. In this case that consideration can only be afforded by granting the survey for which provision is made in this Bill. I appeal to the House to approach the question in a generous and Federal spirit. It is not desirable that in any part of the Commonwealth there should exist a feeling

that the people are not being fairly dealt with, whether it be Western Australia or any other State. It is only by the House approaching these great questions in a national spirit that we can create the feeling of mutual goodwill among the States which will make us a people not merely one in bond, but one in Federal sentiment and spirit.

Mr. McLEAN (Gippsland) [2.22].—I have never been very hopeful regarding the prospects of this line. On the contrary, I have always been very doubtful whether a thorough investigation of the proposed route, and the country on either side, would result in justifying the very large expenditure which must be involved in the construction of the line. At the same time, I do feel that Western Australia has strong claims upon our sympathy. In the first place, that State is a part of Federated Australia, and is labouring under very serious disadvantage in being cut off from the rest of the Commonwealth by a very large stretch of uninhabited country. We must remember that Western Australia has been largely peopled from the Eastern States. She is an excellent customer for the products of those States, and the trade with Western Australia has been an exceedingly profitable one for the rest of the Commonwealth, especially for Victoria and New South Wales. It seems to me that Western Australia is not asking anything unreasonable in urging that the Commonwealth as a whole shall test the question of whether this line can be justified on its merits. It is premature at this stage to speculate whether the line should ultimately be constructed. We cannot discuss that question intelligently until we have made a thorough investigation of the proposed route. I understand that it is intended not only to make a trial survey of the route, but to enlist the services of Western Australia and South Australia for the exploration of the country for a considerable distance on either side, and to prospect for water, minerals, and other resources which it may possess. From all we hear, there can be no doubt that there is a good deal of country along the route which might profitably be used for settlement if a proper water supply and a reasonable outlet for the products of the land were provided. These are questions which require to be set at rest. Even if we put the Federal aspect aside, though in my opinion it is of the greatest importance,

because it is from the Federal stand-point that Western Australia has the strongest claims upon us, it seems to me that in spending £20,000 on this survey, we shall be returning to Western Australia but a very small modicum of the profit we derive from our trade with that State. I am therefore quite prepared to vote for the trial survey in order that the resources of the country may be thoroughly tested. But I impress upon the Minister that the Government must be careful that the expense incurred under this Bill, if it be passed, shall not exceed the amount we vote. It is possible to incur almost any expense on the survey of a railway route. What is known as a flying survey can be carried out at a very small cost. We could have a reasonable trial survey at a cost which would be moderate, though greater than that of a flying survey. There might also be a permanent survey, but that is not to be thought of at this stage.

Sir JOHN FORREST.—We shall not spend more than the amount provided for in the Bill.

Mr. McLEAN.—It appears to me that if the Government are careful to keep the expenditure within the limit of £20,000 honorable members will be treating Western Australia in a rather churlish fashion if they refuse to spend that comparatively small sum to ascertain whether the construction of the proposed line can be justified on its merits. In voting for a trial survey, I wish it to be distinctly understood that I do not commit myself in any way to the ultimate construction of the line. I say this the more emphatically because of some remarks attributed to the right honorable Treasurer. I do not know whether the right honorable gentleman made these remarks in one of his genial after-dinner speeches, but I have read somewhere that he said he would consider that those honorable members who voted for the survey were committed to the building of the line.

Sir JOHN FORREST.—No; I was misrepresented. I have never said that, and I do not even think it.

Mr. McLEAN.—It should be distinctly understood at this stage that in voting for a thorough investigation we are not in any way committing ourselves to the very large expenditure which must be involved in the construction of the line.

Sir JOHN FORREST.—I quite agree with that.

Mr. McLEAN.—With that understanding, it is certainly my intention to vote for the Bill. I hope to see it pass. While I have very little hope of ultimate success, no one will be more pleased than I if the exploration of the country and the survey prove that the construction of the line can be justified on its merits. When we have all the information before us will be the proper time to consider the further question of whether the Commonwealth should undertake its construction, and, if so, on what terms and conditions. Those are matters which must be left to a future date, and, in the meantime, I intend to support this Bill.

Mr. CAMERON (Wilmot) [2.27].—I rise to protest most emphatically against the waste of money which will be involved in the proposed survey of this line. Ever since the Federal Parliament has been in existence, the construction of this railway has been a pet project of the present Treasurer, and I presume, also, of other honorable members representing Western Australian constituencies. I well remember that the honorable member for Kalgoorlie in the first Parliament, who was one of the ablest men who ever came from Western Australia, and who had a thorough knowledge of this project, was emphatically against it until, first of all, the existing State railways were connected with Esperance Bay.

Mr. FRAZER.—Probably that is why Kalgoorlie recognised that gentleman's merit.

Mr. CAMERON.—All I can say is that the people of Kalgoorlie made a very bad exchange.

Mr. WATSON.—The electors of Kalgoorlie should be the best judges of that.

Mr. CAMERON.—I am giving only my independent testimony on the point. It must not be forgotten that each State in the Federation must bear on a *per capita* basis its share of the cost of every new scheme agreed to by this Parliament, and involving the expenditure of money. It appears to me that until the *per capita* arrangement is applied in other directions as well as to new expenditure, it is hardly fair to saddle the smaller States with additional expense. The history of all such surveys will, no doubt, be repeated in this case, and once we have passed this Bill we shall have presented to us such a glowing report that we shall be forthwith asked to vote money or float a loan for the construction of the railway.

Mr. STORRER.—This is the thin end of the wedge.

Mr. CAMERON.—There is no doubt that it is. We find that representatives of the larger States are only too happy at all times to permit the smaller States to come in and share on the *per capita* basis the cost of works from which they will derive no benefit. We do not find the same reckless prodigality exhibited when suggestions are made that in the near future the distribution of Federal revenue should be carried out on the same basis. Last session I was particularly struck with a speech delivered by the honorable member for Mernda, in which the honorable member was good enough to propose that the Braddon "blot" should be done away with, and that a *per capita* distribution of revenue should take place—that the revenues of the four principal States should be pooled *per capita* on the one side and the revenues of the smaller States should be pooled in the same way on the other. In making that suggestion, the honorable member entirely overlooked the provisions of the Constitution for which he is such a stickler.

Mr. HARPER.—I did not make that suggestion.

Mr. CAMERON.—The honorable member must excuse me, he did. I read his statement. The Constitution prevents any such *per capita* arrangement as that suggested by the honorable member last session. So long as the larger States show themselves unwilling to deal liberally with the smaller States, I shall conceive it to be my duty, in the interests of the latter, to resist expenditure from which they will derive no benefit.

Mr. LONSDALE (New England) [2.32].—I have been challenged with not possessing a sense of justice, and, therefore, I wish to say a few words on this proposal to put myself in the right; because I believe in absolute justice, so far as that is possible, in the management of human affairs. We have been told that we should authorize the survey of the proposed line because the people of Western Australia were promised that, if they agreed to Federation, a railway would be built to connect Western Australia with the Eastern States. I know that one of the objections raised in New South Wales to the Constitution Bill was that, if it were passed, pressure would be brought to bear on the Commonwealth Government to build such a line, and, if provision had been made in the Constitution for the construction of that line, the Bill would have received more opposition than it did.

Mr. CARPENTER.—It would have gone through flying just the same.

Mr. LONSDALE.—In New South Wales it did not go through flying, and I do not think that it would have gone through at all had such a provision been contained in it. It has been said that the people of Western Australia stand in the same position in regard to the construction of the proposed railway as that in which the people of New South Wales stand in regard to the location of the Federal Capital; but, whereas it is expressly provided in the Constitution that the Federal Capital shall be located in the mother State, there is no similar provision regarding the Western Australian railway.

Mr. CARPENTER.—There is nothing in the Constitution requiring the maintenance of a residence in Sydney for the Governor-General.

Mr. LONSDALE.—That is another matter. I did not take part in the discussion of the Governor-General's Residences Bill, and, personally, would not care much if he were not provided with a residence in Sydney. There is, however, no parallel between the position of the Western Australians in reference to the proposed railway and that of the people of New South Wales in reference to the Capital Site question. If Western Australia was brought into Federation upon the promise that this railway would be made, that promise was given behind the backs of the people of the other States, and their votes were obtained for the Constitution by means of a deception. I voted for the survey of a route last session after a good deal of thought, but with not much enthusiasm.

Mr. TUDOR.—Is that because the honorable member's party happened to be in power then?

Mr. LONSDALE.—No.

Mr. CARPENTER.—Surely the honorable member does not propose to reverse his vote now?

Mr. LONSDALE.—I am older and more experienced than I was then, and every man, as he gains greater wisdom, is entitled to make use of it. If I voted wrongly on one occasion, there is no reason why I should not reverse my vote on the first opportunity. I did not vote for this survey without conditions. Those conditions have been fulfilled in some respects, but not entirely, and I shall require their embodiment in the Bill before I vote for it again, because I cannot accept the promise made last session.

Mr. SKENE.—What conditions are they?

Mr. LONSDALE.—The chief condition is that the land on both sides of the line shall be reserved for a distance of twenty-five miles back from it.

Sir JOHN FORREST.—It has already been reserved in Western Australia.

Mr. LONSDALE.—I do not think that the Commonwealth should incur expenditure to benefit South Australia and Western Australia only; but I shall vote for the Bill if I am assured by responsible persons that South Australia, as well as Western Australia, will make this reservation.

Mr. FRAZER.—The honorable member is insisting upon an impracticable condition.

Mr. LONSDALE.—Is it fair to the other States that the Commonwealth should pay money to improve the value of land in South Australia and Western Australia, and get no return?

Mr. FOWLER.—The Commonwealth improves the value of land in a New South Wales township when it erects a post-office there.

Mr. LONSDALE.—It does the same thing when it erects a post-office in Western Australia. As a matter of fact, the Commonwealth has put up very few post-offices in New South Wales, because the State Government had done really too much in that direction prior to Federation. If I had my way, the added value given to land by improvements of this kind would be returned by means of a land value tax.

Mr. FRAZER.—A Federal land tax?

Mr. LONSDALE.—No. I would not vote for a proposal like that of the leader of the Labour Party, which I consider outrageous. I shall vote against the second reading of the Bill unless the condition to which I have referred is fulfilled. We were told last session that both Western Australia and South Australia would comply with the conditions which were laid down.

Mr. WILSON.—South Australia is not at all "sweet" on the project.

Mr. LONSDALE.—If the Commonwealth enhances the value of land in those States by expenditure shared in by all the States, it is not too much to require the reservation of land along the route to enable it to obtain a return of that value.

Mr. GROOM.—Would the honorable member have the New South Wales Parliament adopt such a rule?

Mr. LONSDALE.—Yes. I have for years advocated that principle. It is out-

rageous that private persons should pocket the increased value given to land by Government expenditure.

Mr. WILKS.—Does the honorable member believe in a betterment tax?

Mr. LONSDALE.—No. I do not think that a betterment tax could be imposed in this instance; but it is reasonable to ask for the reservation of which I have spoken, so that the Commonwealth may obtain a return for its expenditure.

Mr. WILSON.—Does the honorable member believe in land nationalization?

Mr. LONSDALE.—No. I think that the quicker the States get rid of their land, the better it will be, so long as they receive a return for their expenditure upon it. There is no doubt that the land through which the line would pass would become much more valuable, and I think that the Commonwealth would have a perfect right to avail itself of any advantage that might accrue in that respect. I shall certainly vote against the second reading of the Bill, unless we are absolutely assured that the land through which the line would pass will be reserved.

Mr. WILSON (Corangamite) [2.46].—The Minister asked us to consider this question from an Australian stand-point, and it is from that point of view that I desire to discuss it. On this occasion it suited the Minister to quote the opinion of Major-General Sir Edward Hutton, but in other instances that officer's views have not been received with much favour by honorable members on the Government benches. I think it is quite possible that within the next century there may be a reasonable demand for the construction of the proposed railway.

Mr. KELLY.—Has the honorable member read Major-General Hutton's statements with regard to the importance of the line from a military stand-point?

Mr. WILSON.—Yes; but I do not intend to discuss that aspect of the matter; I leave that to the honorable member. I wish to enter my protest against even a survey of the proposed line being made. At the present stage in our history I do not think that such a work is justifiable. The Minister contended that the construction of a railway would contribute largely to the development of the vast unsettled area that lies between Port Augusta and Kalgoorlie, but I should like to point out that Western Australia and South Aus-

tralia should do a great deal more than they have done up to the present in the way of developing their territories before they ask us to incur an expenditure such as that now contemplated.

Mr. CARPENTER.—Western Australia is spending large sums of money in that direction.

Mr. WILSON.—Then she is only doing her duty. We have no evidence that the country through which the line would pass holds out such prospects as the Minister would have us believe. The reports of those who have travelled through it, and particularly the report of the Treasurer, who has written a very interesting description of his experiences, show that the lives of those who took part in the expeditions were in constant danger owing to the want of water.

Mr. CARPENTER.—Bores have been put down recently, and water has been struck.

Mr. WILSON.—Notwithstanding that, all the reports available to us confirm what the Treasurer told us as to the character of the country when he passed through it. For the greater part of the distance between Fort Augusta and Kalgoorlie no water of any consequence has been discovered, and we know that the rainfall is very small indeed.

Mr. FRAZER.—How does the honorable member know that?

Mr. WILSON.—I gather that from the reports.

Sir JOHN FORREST.—That applies to only about 400 miles of the distance.

Mr. WILSON.—The Treasurer speaks of 400 miles as if it were nothing, but his report shows that it was no small matter for him to cover that distance. It was a matter of life and death to him and his party. However, all these matters are secondary considerations. What we have to consider is whether the railway would prove of sufficient value to the whole of Australia—leaving out of consideration Western Australia, or any other individual State—to justify its construction at the present moment.

Sir JOHN FORREST.—That question can be answered in the affirmative.

Mr. FOWLER.—That would be proved one way or the other by the survey.

Mr. WILSON.—I do not think it would.

Mr. FOWLER.—At least we should get all the information we can on the subject

Mr. WILSON.—I do not think we should be justified in spending even the amount proposed in making the survey. I contend that up to the present time we have nothing before us to indicate that the line would prove of any special value, or that any appreciable development would result from its construction. Therefore, I shall vote against the Bill. I believe that some time during the next century it may prove desirable to make the survey, and that, probably, during the succeeding century the construction of the line will be justified. At present, however, we should not be warranted in taking any action in that direction. The Minister told us that there was every prospect of valuable minerals being found. We are all very glad that such valuable mineral discoveries have been made in Western Australia, and we acknowledge that they have proved of inestimable advantage to the whole of the Commonwealth. In view of the magnificent work that has been done by the pioneers of the Western Australian gold-fields, I am quite certain that if there had been any minerals of value in the territory lying between Kalgoorlie and Port Augusta they would have been brought to light long before this.

Mr. FRAZER. — The Western Australian Government intend to equip a prospecting party that will travel with the survey party and search the country for minerals.

Mr. WILSON. — The Western Australian Government might very well equip their prospecting party, and send it out beforehand, so that information might be obtained which would assist us very materially in coming to a conclusion. In the absence of reliable supplies of water, the pastoral value of the country is very small.

Sir JOHN FORREST. — Bores are now being put down.

Mr. WILSON.—Yes, no doubt; but how are the people who take up the country for pastoral purposes to put down bores? Are they to take their flocks and herds into the country before the water is found?

Mr. FOWLER.—Herds have already been taken through the country.

Mr. WILSON.—Only under very exceptional conditions. We know that rain falls very seldom, and that the absence of water is the great difficulty in the way of settlement. The district is now uninhabited, and I believe that for many years to come it will continue to be so—that, in fact, it will be found to be uninhabitable. I should like to apply to this tract of country words

which have been used in regard to another portion of Australia—

Curse the railway, curse the track,
Curse all the way there, and all the way back,
Curse the flies, and curse the weather,
And curse the desert altogether.

Mr. ROBINSON (Wannon) [2.55].—I hope that the House will not pass this Bill. I feel sure that £20,000 will not be sufficient to defray the cost of the survey of a line extending for 1,100 miles through extraordinarily difficult country. Expert engineers, like Sir William Zeal, who have had an experience extending over a lifetime, say that the survey would be more likely to cost between £50,000 and £60,000 than £20,000. Therefore, if we passed the measure, we should probably be called upon to sanction fresh drafts upon the Treasury next year.

Mr. GROOM.—The sum has been fixed by the engineers themselves.

Mr. ROBINSON.—Then when the survey had been completed, demands would be made for the construction of the line. This Bill is only the first step towards the construction of the line, to which I am entirely opposed. I have here copies of some reports issued by the Government of Western Australia, from which I have obtained information which satisfies me that we should not rush into this expenditure at the present time. The Treasurer, when speaking at the Premiers' Conference, at which he endeavoured to make provision in the Constitution for the construction of the railway, estimated that it would cost £2,500,000. Since that time, the estimates have grown enormously.

Sir JOHN FORREST.—The proceedings of that Conference were not reported.

Mr. ROBINSON.—The Treasurer made that statement to the Conference and to the press.

Mr. CARPENTER.—Whence did the honorable and learned member obtain his information?

Mr. ROBINSON.—From the records. The late Mr. O'Connor, when he was Engineer-in-Chief for Western Australia, estimated that the proposed line would cost £4,400,000.

Mr. GROOM.—That was for a wide-gauge line.

Mr. ROBINSON.—I am perfectly aware of that. Whilst we are on the gauge question, I would point out that if a line were constructed from Port Augusta to Kalgoorlie upon the 4 ft. 8½ in. gauge, the present railway from Port Augusta to Terowie,

which is only 3 ft. 6 in. in gauge, would have to be reconstructed, and the Commonwealth would probably be asked to bear a portion of the cost. Then, again, the Western Australian Government would probably ask us to assist them to widen the gauge of the present line from Kalgoorlie to Perth. I would also point out that the present line from Terowie to Adelaide is on the 5 ft. 3 in. gauge. Mr. Muir, Inspector of Engineering Surveys in Western Australia, also made a report, in which he estimated that the proposed railway from Kalgoorlie to the South Australian border—a little more than half the total length—would cost £1,730,000. Therefore, we may assume that, according to his estimate, the proposed new line would cost for the whole distance, £3,500,000. A committee of railway experts, which met in Melbourne during the term of the first Federal Parliament, drew up a report which was presented to the House by the then Minister of Home Affairs. Their estimate was £4,500,000. Thus we have three estimates by persons who were apparently favorable to the construction of the line, varying from £3,500,000 to £4,500,000. Other experts have expressed the opinion that the line would cost considerably more.

Sir JOHN FORREST.—And some of them think that it would cost less.

Mr. ROBINSON.—I should like to know who they are. The estimate of the Inter-State railways experts did not include the cost of providing a water supply.

Sir JOHN FORREST.—Oh, no.

Mr. ROBINSON.—I say that their report states that the cost of providing a water supply has been omitted from their calculations. Now, what would be the probable cost of insuring an adequate water supply? The sum may run from anything up to £750,000.

Sir JOHN FORREST.—I do not think they said that; if so, I should like to see it.

Mr. ROBINSON.—Their report was laid upon the table of the House on the 24th July, 1903. Mr. O'Connor, in his report, estimates the cost of providing a water supply at £594,000.

Sir JOHN FORREST.—That is far too much in the light of our present knowledge.

Mr. ROBINSON.—Mr. John Muir estimated that between Kalgoorlie and the South Australian border, a distance of 475 miles, or less than half that of the total length of the line, the cost of providing a

water supply would be £183,000. If we double that estimate, so as to insure a water supply over the whole distance which the railway would traverse, the expenditure would be, approximately, £400,000.

Sir JOHN FORREST.—But the whole of that country is not so badly off for water.

Mr. ROBINSON.—I am quite aware of that. But the fact remains that it is country possessing a very low rainfall.

Sir JOHN FORREST.—Does the honorable and learned member mean to say that of Fowler's Bay, where there are numerous farms?

Mr. ROBINSON.—It is true that there are one or two good spots on the route, but practically the whole of the country that would be traversed by the line has a very low rainfall. Here is Mr. Muir's report upon the subject—

I am quite satisfied that the country we have been exploring is almost, if not quite, waterless. The natives evidently obtain their water supply from the mallee and other roots, numerous heaps of which are to be seen lying about, and a black-fellow will not, I believe, have recourse to these roots if he can obtain water within anything like a reasonable distance.

That is a pretty strong declaration to make. He further says, upon page 8 of his report—

As will be seen by my general remarks, the proposed railway would traverse about 475 miles of country in this State, which is, to all intents and purposes, waterless. Of this length, for the first 100 miles water can be conserved in tanks, using the granite and ironstone ridges in the localities as a means of catchment. But for the remaining 375 miles, in the lime-stone country, the porous nature of the soil precludes any hope of being able to conserve surface supplies.

Sir JOHN FORREST.—We could cement tanks.

Mr. ROBINSON.—That would cost a very large sum of money. Mr. Muir goes on to show that it might be necessary to put down bores. These would cost £60,000 for a certain portion of the whole distance. There is no warrant for assuming that artesian water can be found.

Sir JOHN FORREST.—He is in favour of putting down bores.

Mr. ROBINSON.—I know that he is. I am analyzing the evidence of those gentlemen who are favorable to the line, with a view to showing that even upon their statements it is an undertaking which we should be very chary of sanctioning for many years to come. Further, I find from the testimony of these gentlemen that very grave doubt exists as to whether a

line can be constructed at anything like a reasonable cost, and whether a water supply can be obtained.

Mr. GROOM.—Does the honorable and learned member say that the cost of a water supply is not included in the estimate of £4,500,000?

Mr. ROBINSON.—I am under the impression that it is not.

Mr. GROOM.—It is included, as will be seen by reference to the schedule.

Mr. ROBINSON.—I was in error upon that point, for which I am sorry. Leaving that item out of consideration, I still say that the cost of constructing the projected railway would be £4,250,000, exclusive of the amount that would be involved in insuring a water supply. Now we all know that the expenditure which would be incurred in providing a water supply is necessarily a matter of conjecture. Here are two men who have had better facilities for judging of the cost of providing a water supply than have the engineers—

Sir JOHN FORREST.—Mr. Muir went over the country.

Mr. ROBINSON.—I am aware of that. His testimony is that to insure a water supply between Kalgoorlie and the South Australian border, which is less than half the total length of the line, an expenditure would have to be incurred of £183,000.

Mr. GROOM.—After seeing Mr. Muir's report, the engineers reduced their estimate by £500,000.

Mr. ROBINSON.—Mr. Muir's report was written to put the project in the most favorable light.

Mr. GROOM.—That is not correct.

Sir JOHN FORREST.—The engineers of all the States reported upon it.

Mr. ROBINSON.—Their report assumes that the working expenses of this line, which would traverse a more or less waterless country, would represent about 55 per cent. of the revenue accruing from it, notwithstanding that in Western Australia the proportion of the working expenses of the railways to the total revenue derived therefrom is nearer 80 per cent. In other words the engineers claim that the working expenses of this particular line would be very much less than those of far more favorably-situated railways.

Sir JOHN FORREST.—The honorable and learned member must bear in mind that it would practically traverse very level country.

Mr. ROBINSON.—But there are other things to be considered. For instance, there is the cost of stacking coal along the route, the repairs which would require to be undertaken, and the maintenance of the line. The cost of all these things, having in view the difficulty that would be experienced in getting men to live in the country through which the line would pass, would be very heavy indeed. Further, the engineers have reduced the allowance for contingencies by a very substantial amount.

Sir JOHN FORREST.—Has the honorable and learned member seen a copy of Mr. Gwenneth's report?

Mr. ROBINSON.—I have not. I do not say that there are no reports favorable to the construction of the line, but I do say that the reports generally present sufficient evidence to make us very chary about sanctioning the undertaking.

Mr. WATKINS.—It seems to be a question of which Prime Minister will put the measure through Parliament.

Mr. ROBINSON.—I venture to say that had a division upon this Bill been taken within six weeks after the assembling of the present Parliament, it would have received very short shrift indeed. It was owing to the necessity which Governments were under to maintain friendly relations with the five powerful representatives from Western Australia, that the measure was included in so many Ministerial programmes.

Mr. FOWLER.—All the leading men in this Parliament are committed to it.

Mr. ROBINSON.—The honorable member is quite correct.

Mr. FOWLER.—They were committed to it long before we had Federation.

Mr. ROBINSON.—Unfortunately, they have been committed to it one by one. I do not think that even my honorable friend, who is such an enthusiastic and excellent supporter of this line, will deny the accuracy of my statement that, had a division been taken on the Bill within six weeks after the meeting of this Parliament, it would never have got beyond this Chamber.

Mr. WATKINS.—Oh, yes it would, because the right honorable member for East Sydney wanted to get into office even then.

Mr. ROBINSON.—The line has obtained a factitious support by reason of the frequent changes of Government which have taken place. Now that it seems unlikely that another change will take place before the general election, the present seems an

opportune time to deal effectively with the Bill. Our constituents know that if we are committed to the proposal which it contains, and if £20,000 proves insufficient to complete the survey, we shall have to vote an additional sum to see it through. We cannot carry the survey to the borders of South Australia and then abandon the work.

Sir JOHN FORREST.—The Government say that they will not spend more than £20,000.

Mr. ROBINSON.—Other surveyors declare that the undertaking will cost £50,000 or £60,000. Does the Treasurer wish me to believe that if the expenditure of £20,000 suffices only for half the survey, the Government will not complete it? Does he mean to suggest that he would vote against any further expenditure? The fact is that when once we put our hand to the proposed survey, we shall have to undertake the construction of the line. I do not believe in the building of the railway, and therefore I shall not vote for the survey of a route. I hope that our brethren in another place will maintain the firm attitude that they took up on this measure last session. If they do, they will save the country an expenditure of £20,000—possibly much more—and postpone for a considerable period the project of building this so-called transcontinental railway.

Mr. KENNEDY (Moir) [3.12].—I have practically nothing fresh to say upon this Bill, except that the Minister in charge of it has designated the construction of the proposed railway as a "national work." I have heard many definitions of a national work, but in Victoria such works have usually involved the State in a dead loss. Even the most ardent supporters of the Bill cannot find any justification for their action. It is strange indeed that the survey of a route should be proposed before the sanction of one of the States through which the line would pass has been obtained. I pointed out last session that the South Australian Government has refused point blank to assent to the construction of a railway through its territory until the route which it would follow has been determined.

Mr. CARPENTER.—South Australia is willing that the survey should be undertaken.

Mr. KENNEDY.—Of course. That work would cost her nothing. Similarly, Western Australia is willing to agree to the construction of the proposed railway, because it would cost her nothing.

[31]—2

Sir JOHN FORREST.—It would cost the people of that State just as much per head as it would the people of Victoria.

Mr. KENNEDY.—It would cost them as much per head, but in the sum total the amount they would contribute would be very small. The estimate of those who have been asked to report upon the proposed line is that its construction would involve an outlay of £5,000,000.

Sir JOHN FORREST.—Of about £3,700,000.

Mr. KENNEDY.—Of course, the opinion of the Treasurer is entitled to far more consideration than is that of the experts. I do not question that for a moment the report of the engineers to whom the matter was referred. It is signed by Mr. Deane, of New South Wales, Mr. Fagan, of Queensland, Mr. Moncrieff, of South Australia, Mr. Kernot, of Victoria, and Mr. Palmer, of Western Australia, who estimate the cost of construction at just a shade over £5,000,000.

Sir JOHN FORREST.—That is not the last report.

Mr. KENNEDY.—Of course it is not. As that estimate would alarm honorable members who were advocating the construction of the railway, the authorities wanted a lower estimate, in order to induce people to come in and give their support.

Sir JOHN FORREST.—Does the honorable member think this fair?

Mr. KENNEDY.—I should assume that it is fair.

Sir JOHN FORREST.—What influence had we with the engineers? None at all. Did we try to exercise any influence?

Mr. KENNEDY.—I asked for the latest information on the subject, and in reply I received this report, dated March, 1903.

Mr. GROOM.—They went to look at the country themselves.

Mr. KENNEDY.—Who looked at the country?

Mr. GROOM.—Various engineers.

Mr. KENNEDY.—I suppose they have not returned yet.

Mr. GROOM.—After seeing the land they reduced their estimate by half-a-million.

Mr. KENNEDY.—Allowing full credit to the engineers for that reduction, I think it must be admitted by all those who have taken an interest in large undertakings of this kind, that, generally speaking, the estimate of cost is exceeded by the actual expenditure. My experience has been that in nearly every instance the estimate of the cost of a work involving a large expenditure

has been exceeded. What I have been at a loss to understand is the fact that this so-called magnificent pastoral country, situated, as it is, within a reasonable distance of a market, and abutting on the seaboard, is practically unstocked to-day.

Sir JOHN FORREST.—Because there is no surface water.

Mr. KENNEDY.—We are told that investigation has proved that there is a water supply. But what does it amount to? After putting down a bore for over 2,000 feet, a supply of 70,000 gallons per day was obtained. Will any man in his right mind say that any stock-owner or person interested in stock would go out and stock country where there was a rainfall of less than 5 inches a year? Will any one say that country in which, after putting down a bore for over 2,000 feet, a supply of 70,000 gallons of brackish water per day is obtained is pastoral country?

Mr. CARPENTER.—It is fit for the purposes of stock.

Mr. KENNEDY.—Of course it is; but how much stock will be kept there?

Mr. FOWLER. — What is the honorable member's authority for saying that the rainfall is less than 5 inches a year?

Mr. KENNEDY.—My authority is a map, and I presume that the meteorologists of Western Australia had something to do with its compilation.

Mr. FOWLER.—I have it from men who have lived in the country for years that the rainfall is over 15 inches per annum.

Mr. KENNEDY.—It is a strange thing that men who have been asked to report upon this country say that the aborigines keep off it for a considerable portion of the year.

Mr. FOWLER.—The rainfall is not conserved.

Mr. KENNEDY.—It is all very well for the honorable member to say that there is a rainfall of 15 inches per year, but there is no official record to support the statement. It would be better, in the first place, to prove that the records are wrong than to contradict them.

Sir JOHN FORREST.—Even these reports show that the line will earn a profit in the course of a few years.

Mr. KENNEDY.—Of course, on paper it is easy to prove anything. In their estimates of traffic the engineers take the produce landed at Fremantle, and say how much the return will amount to. Then

they go on to say that they do not take credit for the whole of this traffic.

Sir JOHN FORREST.—From which report is the honorable member quoting?

Mr. KENNEDY.—I am quoting from paragraph 8 of the report, dated March, 1903. They say—

We have been furnished with particulars showing passenger and stock movements at the port of Fremantle, which we have carefully considered, and we have taken a portion only of these as a basis for our revenue estimate, which is £205,860.

Sir JOHN FORREST.—There is a later report than that.

Mr. KENNEDY.—I do not know that it would throw much more light upon the subject, and I do not think that the honorable member could get any better authorities than those whose report I am quoting from.

If, when the line has been opened for traffic for ten years the population of Western Australia is double the present number—and many authorities anticipate a greater progress than this—the revenue also will be probably doubled. Further investigation of the sources of expected revenue would probably lead to our being able to increase these estimates.

Can it enter into the mind of any man who has had anything to do with the movement of produce where water and land carriage are available that there is the slightest possibility of a single pound of produce being carried from the Eastern States to Western Australia by rail when there is the option of water carriage?

Sir JOHN FORREST.—They would have to bring it 400 odd miles.

Mr. FOWLER.—Perishable produce to any quantity would be sent to the gold-fields.

Mr. KENNEDY.—The perishable produce would be out of the reach of the wage-earners on the gold-fields.

Sir JOHN FORREST.—I do not think that the honorable member knows the geography of the country.

Mr. KENNEDY.—I do not know everything, but I shall be able to speak a little more clearly if the Treasurer will permit me to express myself in my own way. As a proof of the accuracy of my observation, let me quote the experience that we have had where railways exist. Take, for instance, the movements of stock, cattle, or sheep from Queensland to the southern ports of Victoria, when there is a market for them here. Will any man connected with the business attempt for one moment to send

stock here by rail? Some years ago I had some experience in the business, when it would have been profitable to send stock from Queensland to Victoria in times of scarcity, but we found that the railway rates were really prohibitive. Taking even the special rate quoted—and it was a great reduction on the ordinary rate—stock could be carried by boat for practically a third less. Assuming Adelaide to be the port of shipment, and that the railway was made right through to Kalgoorlie. I venture to say that there would not be any possibility of the men engaged in the business attempting to send stock by rail when they would have the option of sending it by boat.

Sir JOHN FORREST.—Still we think that they would send it.

Mr. KENNEDY.—Here is the experience that we have every day—

Sir JOHN FORREST.—And every one else thinks so too.

Mr. FOWLER.—Is the honorable member talking of the question of carrying stock into the gold-fields of Western Australia?

Mr. SPEAKER.—I can conceive that the honorable member for Moira has great difficulty in making his speech. If honorable members who are interjecting so frequently would reserve their remarks until they speak in reply, it would be much more in accordance with the rules of the House.

Mr. KENNEDY.—I have no objection to the interjections, except when they tend to prevent me from conveying my impressions in my own way. Take the same conditions with regard to produce carried over a short or long distance. In Victoria we have on our sea-board railways in competition with water carriage. Take a point on our railways such as Sale. We find that owing to the peculiar conditions which prevail, and the charges for water carriage, consignors can send goods from Melbourne by boat to Sale, and get them carried back 30 to 40 miles to the 100-mile limit on the railway—that is, towards Melbourne—at a cheaper rate than they can get them carried 100 miles by railway. We know that it is the height of absurdity for men when making estimates as to the maintenance of this line to think that there is a possibility of there being practically any return from the carriage of goods or stock from Adelaide to Kalgoorlie. But if this is such a wonderfully good thing, what surprises me is that the

people of Western Australia, with their great enterprise, do not keep it to themselves. In ordinary life when a friend comes to a man with “a good thing,” possibly the best plan to adopt is to knock him down at once. We are told by the representatives of Western Australia that this railway will be a really good thing for the Commonwealth. I have never known either a State or an individual not to have the first of a good thing. We have had the opinions of the military authorities with regard to the necessity of this railway for defence purposes.

Sir JOHN FORREST.—The honorable member will not quote them.

Mr. KENNEDY.—On a previous occasion I quoted from the report of these authorities, who simply say that it is the height of absurdity to think that the line is necessary for defence purposes under existing conditions. Looking a little further ahead, no sane man will say that it would be the mail route of the future from Australia to the old world.

Sir JOHN FORREST.—I will.

Mr. KENNEDY.—Of course, the right honorable member will.

Sir JOHN FORREST.—But I am not sane though, according to the honorable member.

Mr. KENNEDY.—The right honorable member has his eyes fixed upon one little spot on the western coast. Looking to the future, the mail route will be *via* the north of Australia.

Mr. MAHON.—Through foreign country.

Mr. KENNEDY.—There is no more risk of our mails getting on to foreign country in sending them *via* Port Darwin than there is in sending them *via* Fremantle, and the route would be much more direct. The chief obstacle in the way of this Bill is that one of the States most materially concerned has refused to assent to the construction of the railway.

Mr. CARPENTER.—South Australia has not refused her assent to the project.

Mr. KENNEDY.—South Australia was asked to give her assent, and the official papers show that it was refused.

Mr. CARPENTER.—It is only postponed.

Mr. KENNEDY.—Up to the present time, according to the official papers, South Australia has refused her consent to the construction of a railway to Western Australia. She gives reasons for her refusal, but whether they are correct or not is not for me to determine. I may assume that there are reasons which have influenced

the Government in coming to its present determination. What is the authority for fixing the estimate at £20,000?

Mr. GROOM.—The advice of the engineers.

Mr. KENNEDY.—I have not seen any report from engineers intimating what the cost would probably be. But I have seen it in print, on the authority, not only of railway surveyors, but of engineers of construction, that nothing less than £80,000 will cover the cost.

Sir JOHN FORREST.—Who are they?

Mr. KENNEDY.—Senator Styles is one.

Sir JOHN FORREST.—Is he a surveyor? He was a contractor, I think.

Mr. KENNEDY.—He has been both, and I am prepared to take his estimate in preference to that of a layman.

Sir JOHN FORREST.—I have surveyed more country than Senator Styles, I think.

Mr. KENNEDY.—If we are to have a survey which will be of any use whatever, we must have an idea as to what it is likely to cost. I know that in Victoria we have, as a matter of fact, spent something like half-a-million sterling on surveys of railways that there is no hope whatever of constructing for generations to come. What is more, when the permanent surveys are made, it is almost invariably found that the estimates made on flying surveys are misleading. I feel sure that if the Government embarks upon this proposal the same result will follow. It is a peculiar thing that every Government which has held office in the Commonwealth has felt it to be incumbent upon it to include this survey in its platform as a national work.

Mr. CARPENTER.—It shows that there is no prejudice against it on the part of Governments.

Mr. KENNEDY.—I do not know that it is a matter of prejudice; it is rather a matter of policy. One honorable member who was formerly in favour of the survey has seen fit to alter his mind, and I think that, on reflection, it is possible that others will realize that they have been under a misapprehension. Before the House comes to a determination on the second reading, I trust that the Minister will furnish us with the authority on which he has come to the conclusion that £20,000 will complete the survey.

Mr. GROOM.—The £20,000 is an estimate based upon the advice of the engineers of the States.

Mr. KENNEDY.—Where is their report?

Mr. GROOM.—The estimate is not contained in any report, but it was arrived at upon their advice.

Mr. KENNEDY.—I have a vivid impression of what has occurred, particularly in Victoria, as the result of flying surveys. They cost a good deal of money, but, with the exception of furnishing information as to the character of the country traversed, they are practically of no value as to what the actual cost of construction will be.

Sir JOHN FORREST.—This is very easy country. There are 400 miles of level plain.

Mr. KENNEDY.—We have many miles of level plain country in Victoria and New South Wales, and when a strong wind blows, the rails are covered with sand.

Sir JOHN FORREST.—The honorable member's vision is limited to Victoria. This is limestone plain country.

Mr. KENNEDY.—It may be that I take a circumscribed view of the matter, but we have no reliable data on which to base an estimate of the cost of construction. In Victoria we have spent considerable sums of money on flying surveys, but when subsequently the permanent surveys have been made, the estimates have been more than doubled. I do not feel that I am warranted in changing the opinions which I have held from the outset. I have looked into the facts, and have come to the conclusion that under existing circumstances, I am not justified in voting for a Bill which will ultimately involve the expenditure of at least £5,000,000.

Mr. WILKS.—Did not the honorable member vote for the expenditure of £20,000 for the upkeep of New Guinea? That sum is voted every year for that purpose, but this Bill only requires £20,000 to be spent once.

Mr. KENNEDY.—I voted for the expenditure of £20,000 to secure New Guinea as part and parcel of the Commonwealth and of the Empire. That was a matter of national importance. But I do not admit that the proposed railway is of national importance; and if it is, I see no reason why it should not be built as all the other railways of Australia have been built, by the States concerned. We are entitled to more information from the Government than we have had. We ought at least to know upon what data the engineers base their estimate that £20,000 will be sufficient for the survey.

Mr. KELLY (Wentworth) [3.40].—The first consideration which weighs with me in approaching this question is the undoubted fact that the Government, during the recess—urgently, no doubt, as it applied itself to this subject—has not been able to carry out a recommendation made by the Senate on this measure last session. The Bill, as the House knows, was shelved in the Senate by means of the following amendment:—

That all words after “be” be left out, with a view to insert in lieu thereof the words “not further considered until evidence that the Parliament of South Australia has formally consented to the Commonwealth constructing that portion of the proposed railway which would be in South Australian territory has been laid on the table of the Senate.”

The Minister has not been able to tell the House that he has received the agreement of the Parliament of South Australia in this regard. That is the first consideration which affects me in approaching the measure, for we should be very careful, before we come into conflict with another place on a question which vitally concerns States rights. Until the expressed desire of the Senate in this particular has been met in the way required, it is idle for this House to go ahead with the Bill. There is not the slightest doubt that the Senate will adhere to the decision previously given.

Mr. FOWLER.—Is the honorable member always prepared to “climb down” to the Senate?

Mr. KELLY.—I am always prepared, when the Senate asks for a reasonable thing, to see what can be done to meet its wishes. What the Senate has asked is only reasonable, as I shall endeavour to show later on. The Minister, in introducing the measure, told us that we must not look upon this scheme merely from the point of view of the money involved. From the point of view of any one who wishes to see this measure pass, his injunction was a particularly wise one.

Mr. PAGE.—The honorable member did not say this last session.

Mr. KELLY.—I spoke in exactly the same sense, and with the same object in view.

Mr. FRAZER.—And then the honorable member voted for the second reading of the Bill?

Mr. KELLY.—No doubt my action should be a warning to any one who wants to meet the supporters of this Bill half way.

When the Bill was formerly before the House, I explained carefully that I would go to the length of voting for the second reading on the chance of having included in the measure, in Committee, a provision safeguarding the taxpayers of the Commonwealth as a whole. Those honorable members who are now so generous in trying to trip me up, should recollect that all honorable members were led into believing that if they voted for the survey they would not be committing themselves to the railway. I, however, certainly think that they are committing themselves to the railway.

Mr. WATKINS.—Why?

Mr. KELLY.—Because the Treasurer, in Adelaide, in December last, just after this House had passed the Survey Bill, spoke as follows:—

He was quite satisfied that the proposal for the construction of the line would be received just as well as that for the survey.

The Treasurer went on—

Otherwise it would be improper for honorable members to have voted as they had for an expenditure of £20,000, as that would then have been so much waste money.

Sir JOHN FORREST.—Who said that?

Mr. KELLY.—The present Treasurer.

Sir JOHN FORREST.—What newspaper was that published in?

Mr. KELLY.—In an Adelaide newspaper.

Sir JOHN FORREST.—I never said anything of the sort.

Mr. KELLY.—I am afraid we frequently misunderstand the right honorable gentleman. I believe, for instance, that the right honorable gentleman has some doubt as to what he has said on the progressive land tax question.

Sir JOHN FORREST.—I would not be so foolish as to say that a person voting for the survey must vote for the line when the information supplied by the survey might be against its construction.

Mr. KELLY.—I shall read the reference again for the right honorable gentleman, and if he denies all responsibility for it I shall accept his assurance.

Sir JOHN FORREST.—In what is it contained—a pamphlet.

Mr. KELLY.—I am reading from *Hansard*.

Sir JOHN FORREST.—Does the honorable member think that I would say anything so foolish as that?

Mr. KELLY.—This is what the right honorable gentleman is reported to have said:—

He was quite satisfied that the proposal for the construction of the line would be received just as well as that for the survey. Otherwise it would be improper for honorable members to have voted as they had for an expenditure of £20,000, as that would then have been so much waste money.

Sir JOHN FORREST. — An enemy said that.

Mr. KELLY. — A newspaper, which I presume did not wish to harm the right honorable gentleman, reported that he said it.

Sir JOHN FORREST.—I would not be so foolish as to say that we want a survey for information, and then that those who vote to secure that information are committed to the construction of the line.

Mr. KELLY.—I accept the right honorable gentleman's assurance that he did not say that, or anything like it, but I suggest to honorable members that that is the very argument which the right honorable gentleman will use if we are foolish enough to pass the Bill for this survey, and he desires afterwards to have the line constructed.

Sir JOHN FORREST. — The honorable member should quote from me, and not from some one else.

Mr. KELLY.—The right honorable gentleman is anxious that I should go on quoting from him. I think I shall do so, in order to let honorable members know the nature of the country which this line is to traverse. We have had the Minister of Home Affairs explaining to us to-day what a perfect paradise this country is supposed to be.

Mr. ROBINSON.—A "paradise lost."

Mr. KELLY.—I am afraid that, as the honorable and learned member suggests, it is a paradise lost. We are in the singularly fortunate position of having unbiased evidence from the Treasurer of the Commonwealth on this very question. The right honorable gentleman did some exploration of Western Australia, and I propose to quote from his account of it.

Mr. ROBINSON.—This is most unfair.

Sir JOHN FORREST.—It is perfectly fair. I hope the honorable member will quote what I said fully.

Mr. KELLY.—It is a somewhat lengthy volume, and I have no wish to detain the House, by reading the whole of it. I remind honorable members that the Treasurer, who did splendid work in the West, wrote an unbiased and disinterested account

of his great journey, and this is what he says about the land which this afternoon has been reported to be flowing with milk and honey. The first quotation I make from the right honorable gentleman's book will be found at page 99.

Mr. MAHON.—How many years old is the reference?

Mr. KELLY.—The honorable member for Coolgardie now wishes us to believe that the whole nature of this country has changed in the last thirty-six years!

Mr. MAHON.—Climates change.

Mr. KELLY.—The honorable member does not doubt any more than do honorable members generally that the Treasurer was telling the truth on this occasion.

Mr. MAHON.—It would take a miracle to change the honorable member.

Mr. ROBINSON. — Nature was changed when Moses struck the rock.

Mr. KELLY.—I think we shall strike a rock somewhere.

Mr. MAHON. — The honorable member will strike a snag before he is finished.

Mr. KELLY.—Honorable members, apparently, do not wish to hear the quotations I desire to make. The Treasurer states in his book—

Started at dawn and travelled in a southerly direction for nine miles, when we found a rock water hole, containing one gallon, and had breakfast. Continuing for four miles we reached the cliffs, which fell perpendicularly into the sea, and although grand in the extreme, were terrible to gaze from.

Sir JOHN FORREST.—That is not the place.

Mr. KELLY. — I ask honorable members to listen very carefully to this.

Sir JOHN FORREST.—That is before I had seen the country; at the beginning of the trip, before I came to this country.

Mr. KELLY.—This is what the right honorable gentleman says—

After looking very cautiously over the precipice, we all ran back, quite terror-stricken by the dreadful view.

This is the paradise whose beauties we have heard described. The right honorable gentleman goes on to say that his party rested next day in camp, and he continues—

Intend making preparations to-morrow for starting on Tuesday morning, and attempt to reach the water shown on Mr. Eyre's track in longitude 126 deg. 24 min. east 150 miles distant, by carrying 30 gallons of water with us, and walking in turns, so as to have the horses to carry the water. Intend allowing each man one quart, and each horse two quarts per day. Feel very anxious as to the result, as it will take five or six days; but it is the only resource left.

"The only resource left" in a paradise flowing with milk and honey! I make another quotation from the right honorable gentleman's diary of a few days later.

Sir JOHN FORREST.—That is getting towards the place.

Mr. KELLY.—That is, getting better?

Sir JOHN FORREST.—I should like to explain that we were not near Eucla then.

Mr. SPEAKER.—Order!

Sir JOHN FORREST.—We were 200 miles from Eucla then.

Mr. SPEAKER.—Order! The right honorable member can speak later.

Mr. KELLY.—The right honorable gentleman says that the party were getting to a much better part of the country at this particular time, and I find that he made the following statement about it in his book—

Made an early start, steering north-east, and at one mile found a rock water-hole, containing 15 gallons, which we gave the tired, thirsty horses, and, continuing chiefly through dense mallee thickets, with a few grassy flats intervening, for 22 miles, found another rock water-hole holding about 10 gallons—

This is the well-watered country of which we hear now!

Mr. FOWLER. — Where did that water come from?

Mr. KELLY.—From where the honorable member is going to some day, I hope. The Treasurer goes on to say—

which we also gave the horses, and after travelling one mile from it camped on a large grassy flat without water for the horses. Our horses are still very thirsty, and have yet 70 miles to go before reaching the water in longitude 126 deg. 24 min. east. Am very thankful for finding the little water to-day; if we had none our situation would be somewhat perilous, and some of the horses would probably show signs of distress to-morrow.

This is still more of the paradise! I do not wish to detain the House with further quotations from the right honorable gentleman on this country.

Mr. PAGE.—It is worth reading.

Mr. KELLY.—I think it is quite worth reading, but we shall have many opportunities to read it before this measure is finally passed.

Sir JOHN FORREST.—I shall show the honorable member my final opinion of the country if he will hand me the book.

Mr. KELLY.—I hope the Treasurer will do so. I have given the right honorable gentleman's opinion of some of the country to be traversed by this line.

Mr. LONSDALE.—Had the right honorable gentleman any idea of putting a railway through it then?

Mr. KELLY.—The right honorable gentleman had considerable difficulty in getting himself through, and he was not then thinking of a railway.

Sir JOHN FORREST.—The honorable member will read the paragraph I have indicated for him, if he wishes to be fair.

Mr. KELLY.—This is the paragraph to which the right honorable gentleman refers me—

The portion most suited for settlement is all that between longitude 126 deg. 12 min. east, and 129 deg. 12 min. east—

The country I have just been describing from the right honorable gentleman's notes is between those two meridians.

Sir JOHN FORREST.—Will the honorable member read on?

Mr. KELLY.—The passage continues—

near Eucla Harbor, or in other words the country to the north of the Hampton Range, the country north of the range being most beautifully grassed, and I believe abundance of water could be procured anywhere under the range by sinking 20 or 30 feet. There is also under the same range a narrow strip of fine grassy country for the whole length of the range, namely, about 160 miles.

Mr. WATSON.—The right honorable gentleman showed great foresight in putting that in, did he not?

Mr. JOSEPH COOK.—There seems to be a good deal of Yes-No about this book.

Mr. KELLY.—I accept absolutely the right honorable gentleman's statement that this is the very best of the country traversed by the party, but I remind him that he is speaking of the country between 126 deg. and 129 deg., in referring to which, in another part of this same luminous book, he describes this absolutely wretched condition of affairs—

Intend making preparations to-morrow for starting on Tuesday morning and attempt to reach the water shown on Mr. Eyre's track in longitude 126 deg. 24 min. east.

Sir JOHN FORREST.—The honorable member has got back to where he started from.

Mr. KELLY.—I do not wish to go over that old ground again, and I do not expect the Treasurer does either. Here is a quotation which refers to the country between 126 deg. and 129 deg. east—

Am very thankful finding the little water to-day, for if we had none our situation would be somewhat perilous, and some of the horses would probably show signs of distress to-morrow.

Sir JOHN FORREST.—The honorable member read that before.

Mr. KELLY.—The right honorable gentleman said that I did not read the correct part. He asked me to refer to his description of the country between 126 deg. and 129 deg., and I find that is the very part of the country which I have been reading about. Without being unfair in any particular to the right honorable gentleman, I think we can safely say that his opinion about this country as a whole is about as uncertain as are his opinions upon the land tax question.

Mr. MAHON.—He did not see it from a motor car.

Mr. KELLY.—I think I heard a sound like a shot from behind a hedge. There is no reason why there should be any ill-feeling about a matter of this kind. We are all here to represent the views of our constituents. The honorable member for Coolgardie, I know, is a gentleman, and all praise to him for it, who feels very strongly upon all subjects in which he is interested; but he should not object to give the same latitude to other honorable members which he would like to be given to himself.

Mr. MAHON.—I am not restricting the honorable member, surely.

Mr. KELLY.—No, but the honorable gentleman was, I think, showing a little heat just now. It is better that we should put this matter on a sound basis. I suggest to the Government that, having heard these extracts from the descriptions given by the Treasurer, they might consider whether the debate might not now be reasonably adjourned, with a view to the further consideration of the measure on Tuesday. What are we committed to if we pass this Bill? It is true that it is only to provide for a survey, but I feel that the Treasurer would have been quite right in saying that we shall be taking a wrong course of action in passing a Bill to provide for the survey if we are not prepared, subsequently, to indorse the verdict of the experts invited to conduct it. That appears to me to be a reasonable contention.

Mr. CARPENTER.—If the honorable member looks at a motor car, is that any guarantee that he will buy it?

Mr. KELLY.—I would not pay an expert to examine a motor car if I were determined not to buy one, and the people's representatives in this House should not act more foolishly in the transaction of public affairs than they would in

private life. We must consider now the ultimate as well as the immediate results of passing this measure. If the proposed survey is made, Parliament will probably be committed to an expenditure of from £4,000,000 to £5,000,000 for the construction of a railway. We shall thus be forced to initiate an era of borrowing, and to compete with the States in the London money market. All the members of the Labour Party, including the representatives of Western Australia, and many other members of the House, have announced themselves as opposed to Commonwealth borrowing, and I understand that it is a plank in the platform of that party that there shall be no borrowing by the Commonwealth.

Mr. FOWLER.—I believe in borrowing for reproductive purposes.

Mr. KELLY.—The plank of the Labour Party is no Commonwealth borrowing, without any qualifications. However, as I understand that there is a desire to adjourn now, I ask permission to resume my remarks on Tuesday next.

Leave granted; debate adjourned.

PAPERS.

MINISTERS laid upon the table the following papers:—

Report of the Royal Commission upon the Ocean Shipping Service.

Money Orders, regulation 4, Statutory Rules 1906, No. 40.

ADJOURNMENT.

TRADE MARKS ACT REGULATIONS.

Motion (by Sir JOHN FORREST) proposed—

That the House do now adjourn.

Mr. WILKS (Dalley) [4.1].—I complained last night that the regulations necessary for the administration of the Trade Marks Act have not yet been published, although the Act was passed seven months ago. I should like to know, seeing that the employers are able to take advantage of the provisions relating to trade marks, when the employés will be able to take advantage of the trade union label provisions?

Mr. DEAKIN (Ballarat—Minister of External Affairs) [4.2].—The regulations were passed to-day, and will be published in to-night's *Gazette*.

Question resolved in the affirmative.

House adjourned at 4.3 p.m.

House of Representatives.

Tuesday, 3 July, 1906.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

IMPERIAL CONFERENCE.

Mr. CARPENTER.—Can the Prime Minister inform the House what subjects are to be discussed at the Imperial Conference in London next year at which Australia is to be represented? I should like to know also if we shall have an opportunity to make known our opinions upon such of those subjects as particularly concern Australia?

Mr. DEAKIN.—The Under-Secretary for the Colonies recently mentioned a list of subjects, affecting mail communication, education, and the adjustment of laws relating to a variety of other matters; but there can be no complete programme until the Prime Ministers who have been invited have submitted the lists of subjects which they have been requested to furnish. Until all these lists are published, which will probably not be until shortly before the meeting of the Conference, the full register of subjects which may come before the Conference will not be known. No doubt this Government could lay on the table a list of the questions which its representatives propose to bring forward, and those which the Imperial Government have so far promised to introduce.

Mr. McDONALD.—Can the honorable and learned gentleman give the House an assurance that nothing done at the Conference will be binding upon us until this Parliament has had an opportunity to ratify the decisions arrived at?

Mr. DEAKIN.—It is generally impossible, without legislation, to give effect to the resolutions of a Conference. The only agreement which our representatives could make which need not be referred to Parliament would relate to administration, over which this House, of course, exercises control through the Government. The propositions to be submitted will relate mostly to proposed changes in the law, with which this Parliament will be free to deal when they are laid before it.

Mr. CARPENTER.—Seeing that in discussing any resolution of the Conference this House will be trammelled to some extent by the fact that the representatives of

Australia have already agreed to it, would it not be advisable for the honorable and learned gentleman to allow us an opportunity to debate any proposal which he intends to bring forward, so that he may be supported by our opinions, and may thus be in a position to advocate it with greater freedom and weight?

Mr. DEAKIN.—That course, except in regard to a very limited number of questions, is impracticable, because the amendments to be made in any proposition submitted to the Conference cannot be known beforehand.

Mr. CROUCH.—It would not be a Conference if each representative went bound to support certain opinions.

Mr. DEAKIN.—It is impossible for any Parliament to decide at any time what it will determine in the following year, and it is equally impossible for it to deal with proposals which have to go before the representatives of various parts of the Empire, and may be materially amended before they are finally disposed of.

INSPECTION OF MEAT.

Mr. HUGHES.—Is the Prime Minister aware that the Imperial authorities have decided to send a special officer to inspect the process of meat packing in Chicago? Does he not think it advisable to invite the same or another officer to inspect our meat packing arrangements, to enable a comparison to be made?

Mr. DEAKIN.—I have read a cablegram to the effect mentioned by the honorable member. There can be no objection to such an invitation, though I doubt whether it need be accepted. The Agents-General in London have already called public attention to the inspection laws of their States; and, in reply to a question asked in the House of Commons last week, it was admitted by the Imperial Government that there can be no doubt as to the high character of Australian meat exports. The making of the offer might, however, enhance the already high reputation of Australian meat.

POSITION OF THE GOVERNMENT.

Mr. THOMAS.—The Postmaster-General is reported to have said to a newspaper interviewer that, after the next elections, there will be a stable Government in Australia, and I wish to ask him whether, in making that statement, he desired to reflect upon the present Government.

Mr. AUSTIN CHAPMAN.—I think that if the honorable member will look at the report again he will find that my answer was that, after the next election, there will be a continuation of stable Government.

APPEAL BOARDS' DECISIONS.

Mr. HUGHES.—I wish to know from the Minister of Home Affairs what principle, if any, guides Appeal Boards in coming to decisions under the Public Service Act? Are those decisions based on the evidence placed before them, or upon other grounds, and, if so, upon what? I am given to understand that certain decisions have been against the weight of evidence, and I wish to know if that usually happens, and whether, if so, the Minister considers it a desirable state of affairs?

Mr. GROOM.—I understand that an Appeal Board makes its decision upon the evidence given before it, and that that decision is sent on to the Commissioner for his final recommendation.

Mr. HUGHES.—Can an Appeal Board take cognisance of anything not coming before it?

Mr. GROOM.—I understand that a Board's decision upon an appeal is based on the evidence relating to the question at issue, though there may be placed before it, for comparative purposes, general information in respect to the classification of the Service throughout the States. If the honorable and learned member will give notice of his question, I shall make inquiries, and try to let him have an answer to-morrow.

EXPORT OF GOLD.

Mr. CULPIN.—The London *Daily Mail*, of the 21st May, reports that the Sydney *Daily Telegraph* has computed that, within the last two years, no less than £12,000,000 of Australian money has been shipped out of this country for investment, principally to London, owing to the unrest here. Does the Minister of Trade and Customs know if there is any truth in the statement, or can he give us any information in regard to the matter?

Sir WILLIAM LYNE.—As the money was not exported through the Customs, I have no special information on the subject. I have seen the statement referred to, and, for reasons which have been given, I do not think it correct. Of course, we know

that the newspaper making it does not always tell the truth.

Mr. BAMFORD.—We have more money than we know what to do with.

Sir WILLIAM LYNE.—There is more money in Australia now than there ever was before. It is statements like this that injure Australia in the public mind abroad.

PERSONAL EXPLANATION.

Mr. JOHNSON (Lang) [2.42].—Speaking last week on the amendment of the honorable member for Dalley to the motion for the second reading of the Australian Industries Preservation Bill, I quoted from an interview published in the *Argus* some time ago, showing the flourishing condition of the firm of Thompson and Company, of Castlemaine. I did so to refute the statement that the introduction of the Bill is necessary because Australian industries, particularly of this character, were alleged to be declining for want of more protection. The honorable member for Melbourne Ports, however, interjected that the firm is a free-trade firm, paying its employes 1s. per day less than is being paid by other firms in the same industry, and added that it is not prosperous now, but declining. As those interjections made it appear that I was misleading the House, the honorable member for New England wrote to the firm to inquire as to the truth of my statement, and has received, in reply, the following letter:—

Castlemaine, 2nd July, 1906.

We have to thank you for the information contained in yours of the 27th ult. with regard to the interjection made by Mr. Mauger relative to our firm, when Mr. Johnson was speaking on that day. The statements as to wages, made by Mr. Mauger, are entirely false, and with regard to our industry being a declining one, we beg to state that for the past three years we have not been able to cope with the orders that have come to us, and that at the present time we are extending the buildings and putting in additional machinery which will give us an increased output of at least 50 per cent. over what we are now doing.

Yours faithfully,

THOMPSON & CO.

PAPERS.

MINISTERS laid upon the table the following papers:—

Amendments of Public Service Regulations Nos. 102, 104, 140—General Division transfers, line repairers, travelling allowances—Statutory Rules, 1906, No. 46.

Naval Forces, financial and allowance regulations, paragraph 49 amended, Statutory Rules, 1906, No. 45.

EXPORTS FROM WESTERN AUSTRALIA, VIA SINGAPORE.

Mr. CARPENTER asked the Minister of Trade and Customs, *upon notice*—

What is the total tonnage and value of goods exported to European countries, *via* Singapore, from Geraldton, Carnarvon, Onslow, and Broome during three years ended 31st December, 1905?

Sir WILLIAM LYNE.—The answer to the honorable member's question is as follows:—

	Tons.	£
Geraldton ...	3,950 ...	282,932
Carnarvon ...	3,275 ...	246,494
Onslow ...	2,333 ...	192,311
Broome ...	2,870 ...	380,415
	<u>13,428 ...</u>	<u>1,102,152</u>

COMPENSATION TO INJURED SOLDIERS.

Mr. CROUCH asked the Minister representing the Minister of Defence, *upon notice*—

1. Whether the Minister does not consider that the soldier, whatever his rank, whether permanent, militia, or volunteer, who suffers injury on duty during time of peace is entitled to equal compensation as the soldier who so suffers in time of war?

2. Whether the occurrence of injuries on duty by soldiers in the Commonwealth Forces is not of sufficient frequency to lead to revised regulations on the subject?

3. Whether he will prepare regulations which shall provide a pension of at least Ten shillings weekly for all soldiers so injured, with a similar sum to widows or children in case of death on duty; or

4. Will he apply the regulations as to pensions payable in time of war to soldiers injured on duty in time of peace?

Mr. EWING.—The reply to the honorable and learned member's questions is as follows:—

1 to 4. No regulations have been prepared which provide for the payment of pensions in time of war to the Commonwealth Naval and Military Forces. The Minister intends to ask the Military Board to go into the whole question of compensation to be paid for injuries received by members of the forces when on duty, with a view to a revision of the regulations if considered advisable.

POST AND TELEGRAPH EMPLOYÉS, GERALDTON.

Mr. MAHON asked the Postmaster-General, *upon notice*—

1. Whether his attention has been drawn to a telegram from Geraldton, published in the Perth

Morning Herald, in which the following statements are made:—

It has been a subject of common remark for some time that the post and telegraph messengers at the Geraldton Post-office are employed for unduly long hours. Indeed, it may be said that the whole of the local staff are more or less overworked. That there is a seriously disjointed system of administration is evident. Only a short time ago the Chamber of Commerce drew attention to the unsatisfactory position existing here. Confirmation has been given in an unexpected manner by two messenger boys giving notice and leaving last week. The youthful employés complained that they were overworked. These boys were seen laden with correspondence for delivery through the town, and, besides, they had to deliver telegrams at all hours and in all directions. The postmaster is now perplexed with the difficulty of letter and telegram deliveries, as he cannot obtain boys to replace those who left?

2. Is it not a fact that numerous complaints have been previously received from Western Australia that the salaries offered to telegraph messengers are insufficient to attract the best class of boys to the service?

3. What steps he proposes to take to meet the difficulty at Geraldton, and whether he does not consider it advisable to offer better remuneration so as to secure the most capable and trustworthy youths as telegraph messengers?

Mr. AUSTIN CHAPMAN. — The answers to the honorable member's questions are as follow:—

1. One permanent and two temporary messengers were employed at Geraldton until 23rd May last, one temporarily performing letter-carrier's work, then one of the latter was dispensed with on the senior inspector's recommendation which, however, is now shown was not intended to take effect until a general division assistant had been appointed in place of a clerical officer there. On the 14th ult., the postmaster reported that the remaining messengers had tendered their resignations to take effect respectively on the 14th and 15th June, 1906; two others were engaged in their places on the 18th idem, and the postmaster now states that the *Morning Herald* report is greatly exaggerated. The staff are by no means overworked, and the hours are within the regulations. There is a fair number of papers, &c., for delivery after arrival of the eastern States mail, but messengers are not overloaded, and the greater portion is delivered within a few hundred yards of the office. Owing, however, to the absence on recreation leave of one of the postmaster's assistants, the messengers were given unduly long hours during the period from 23rd May until the date of resignation, which was remedied immediately the matter came under notice, and prior to the date of the newspaper comment.

2. There is no complaint on record since the question was replied to in the House of Representatives on 23rd November, 1905.

3. Further provision in this regard is not required, as the postmaster reports that everything is now satisfactory.

RAILWAY STATIONMASTERS AND POSTAL WORK.

Mr. WILKINSON asked the Postmaster-General, *upon notice*—

If any arrangement has been come to with the Commissioner for Railways for the State of Queensland, for the payment of commission to stationmasters and others doing post-office work, on the sale of postage stamps, and, if so, what is the nature of that arrangement?

Mr. AUSTIN CHAPMAN. — The answer to the honorable member's question is as follows:—

The Deputy Postmaster-General, Brisbane, has furnished the following information:—The Railways Department accepted £700 per annum as a fair equivalent in lieu of commission on postage stamps sold by stationmasters and other railway officials doing post-office work. The question of a satisfactory basis of distribution among officials concerned has been under consideration for some time by the Railway Department and this office, and a schedule has now been prepared apportioning amount.

COUNCIL OF DEFENCE.

Mr. KELLY asked the Minister representing the Minister of Defence, *upon notice*—

Referring to a report in the *Argus* of the 28th ultimo of an interview with the Minister of Defence, in which the following passage occurs:—

“During my administration they (the Council of Defence) met twice—on the same question. They met to consider Captain Creswell's report—the one recommending a fleet. Then they met again to consider the report of Colonel Bridges on the same subject. And the two reports were so diametrically opposite that everybody was in a fog.”—

1. Is there any reason why the House and the press should have been furnished with the favorable report, while that which was condemnatory of the proposed fleet should have been suppressed?

2. Will he now lay Colonel Bridges' report on this subject on the table of the House?

3. Will he lay a copy of the Minutes of the Council of Defence on the table of the House?

Mr. EWING.—The answers to the honorable member's questions are as follow:—

1. The press report referred to is not accurate. The press has not been furnished with the confidential report which Captain Creswell submitted to the Council of Defence.

2 and 3. Lieutenant-Colonel Bridges' report on the subject referred to, and the minutes of the Council of Defence, are confidential; and the Minister deems it inadvisable to lay same upon the table of the House.

REPORT OF MILITARY BOARD.

Mr. KELLY asked the Minister representing the Minister of Defence, *upon notice*—

With reference to another portion of the same interview reported in the *Argus* of the 28th ultimo, in which the Minister admits that he may have altered the phraseology of the Report of the Military Board—Will he lay the same in its original form on the table of the Library for the information of honorable members?

Mr. EWING.—The answer to the honorable member's question is as follows:—

The report of the Military Board was compiled by the Secretary to the Department (Captain Collins) from memoranda furnished by members of the Board. It was adopted at a meeting of the Board, and was not altered in any way by the Minister.

MAJOR HAWKER INQUIRY.

Mr. CROUCH asked the Minister representing the Minister of Defence, *upon notice*—

1. Referring to question *re* intimidation by Major Hawker's staff captain and adjutant, 14th June, 1906, *Hansard*, p. 206, did one Gunner O'Toole give evidence at such inquiry that Captain Cox Taylor said to him that he could see half-a-dozen discharges sticking out?

2. Did Captain Cox Taylor later admit such intimidation?

3. Is he to be continued in the command of permanent gunners against whom such threats are made, or any other gunners in the Commonwealth?

Mr. EWING.—The answers to the honorable and learned member's questions are as follow:—

1. Yes.

2. Captain Cox Taylor stated in evidence that “There would doubtless be discharges when we came to know who were the instigators in this matter.”

3. The Commandant has made certain recommendations in regard to Captain Cox Taylor, but has been asked for further information. The Minister will give his decision when this information has been received.

Mr. CROUCH.—We were told that 2 fortnight ago. I desire to ask the Minister representing the Minister of Defence, *upon notice*—

1. Whether Bombardier T. J. Webb, late of the R.A.A., before the Hawker Inquiry Board, made statutory declaration as to the accuracy of his statement that he did not see the officers for non-saluting of whom he was punished?

2. Whether Warrant Officer Coghill also made statutory declaration of the accuracy of his evidence as follows:—

I do not think Webb saw the officers. You do not think he saw them?—No.

From what you noticed, do you think it a reasonable thing that he should have seen them?—No, I do not think he should have seen them, but the two officers were talking, and he should have been on the alert.

Was his back to the officers when they came from that corner?—Almost full back to them.

3. Did Senator James Styles, a member of the Board, find as a fact that Webb was, by mistake, wrongfully punished, and deprived of certain privileges which had been granted to him, for having failed to salute Le Mesurier and Hawker, whom he did not see, at about 6 p.m. on the 14th April, 1905?

4. As Bombardier Webb, in consequence of the loss of such privileges, was compelled to leave the Service, will the Minister reinstate Webb in his former position, with such promotion and extra pay as would in ordinary course have come to him, and also compensation for loss of office through the tyrannical exercise of arbitrary power?

Mr. EWING.—The answers to the honorable and learned member's questions are as follow:—

1. Yes.

2. Yes.

3. Yes; but the majority report of the Board was that "Webb was guilty, and that the punishment awarded was not excessive."

4. In view of the majority report of the Board, the Minister does not propose to take any action with regard to Webb.

AUSTRALIAN INDUSTRIES PRESERVATION BILL.

In Committee: Consideration resumed from 27th June (*vide* page 809)—

Clause 2—

This Act is divided into Parts as follows:—

Part I.—Preliminary.

Part II.—Repression of Monopolies.

Part III.—Prevention of Dumping.

Mr. JOSEPH COOK (Parramatta) [2.51].—I should have thought that the Minister would have made some statement to the Committee in explanation of the complete change which he proposes to make in one portion of the measure. It is proposed to make the Bill an almost entirely new one, and I think it is due to honorable members that the Minister should explain the scope and character of the amendments.

Sir WILLIAM LYNE (Hume—Minister of Trade and Customs) [2.52].—I do not think that I am called upon to make a detailed statement with regard to the

first or second portions of the Bill. The really important amendments relate to what are known as the dumping clauses in the third part of the Bill.

Mr. JOSEPH COOK.—Not all of them.

Sir WILLIAM LYNE.—Not all, but the most important relate to the dumping provisions. I do not desire, and I do not intend, at present to say anything with reference to that part of the measure, but shall leave any explanation I may have to make until a later stage. The amendments which it is proposed to make in the second part of the Bill, copies of which have been circulated amongst honorable members, are not very serious. In connexion with the provisions dealing with the repression of monopolies we propose to substitute for the word "wilfully" wherever it occurs, the words "with the design of."

The CHAIRMAN.—Do I understand that the Minister is making a general statement?

Sir WILLIAM LYNE.—I do not desire to make a general statement, but I am prepared to say a few words with reference to the first and second parts of the Bill. If, however, any statement that I might make would lead to a general discussion, I shall not proceed any further. I prefer to deal with the amendments clause by clause, but I did not wish to appear rude to the honorable member for Parramatta, who desired that I should make an explanatory statement.

Mr. KELLY (Wentworth) [2.54].—In the clause as it stands, Part II. of the Bill relates to the "repression of monopolies." The discussion that has taken place shows that honorable members are not so anxious to repress monopolies as to regulate them. The Government have shown that they desire to regulate monopolies, and the members of the Labour Party have indicated that whilst they do not consider that regulation will do any good, they expect that the measure will have a regulating effect upon monopolies.

Mr. FISHER.—We say that we do not think regulation will be sufficient.

Mr. DEAKIN.—The Bill aims at a repression of destructive monopolies.

Mr. KELLY.—Then probably the Prime Minister would be willing to insert the word "destructive" as a qualification of the word "monopolies." We should amend the clause either in that way, or by providing for the "regulation of monopolies." I understand that the Prime

Minister is willing to insert the word "destructive."

Sir WILLIAM LYNE.—I do not propose to accept the suggestion. Honorable members, as they proceed, will find that the clauses speak for themselves.

Mr. KELLY.—I do not wish to quarrel about a word, but it seems to me that we cannot be too careful as to the terms we employ in this measure. The bald expression "repression of monopolies" would carry us far beyond the desire that has been expressed by honorable members. I understand that it is desired to regulate monopolies of all kinds, and to repress destructive monopolies. If, however, honorable members say that their intentions go further than that, no more need be said.

Mr. WILSON (Corangamite) [2.56].—When the second-reading discussion was proceeding, the Minister promised that before the close of the debate he would give honorable members some information as to the dumping that had taken place within the Commonwealth. Personally, I want to know something about the matter, and I should like the Minister to fulfil his promise.

Sir WILLIAM LYNE.—I gave a good deal of information.

Mr. WILSON.—The Minister did not give us any information as to specific cases of dumping.

Mr. JOSEPH COOK.—The Minister says that he will give us some information now, if it does not lead to a discussion.

Mr. WILSON.—The Minister promised that he would give us the information indicated before the debate on the second reading of the Bill had closed, and I think it is only fair that he should keep faith with us. The title of the Bill tells us that its object is "The preservation of Australian industries and the repression of destructive monopolies"; whereas, according to the clause now under discussion, Part II. of the Bill relates to the "repression of monopolies." I think that it should be made to read "repression of destructive monopolies." I, therefore, move—

That the word "destructive" be inserted before the word "Monopolies."

Mr. HUGHES (West Sydney) [2.58].—On the face of it, the amendment looks very fair indeed, but under close inspection its aspect becomes altered. What is a monopoly? The mere fact of a monopoly being non-destructive or beneficent should not place it beyond the scope of the powers

of repression given by the Bill. It might be said that despotism should only be repressed when it was destructive. But it is a cardinal principle of democracy that despotism is wrong anyhow.

Mr. KELLY.—That a monopoly is.

Mr. HUGHES.—No; that a despotism is. As for monopolies, we should repress them the more when they are destructive, but we want the power to repress them anyhow. I am very much astounded to learn—because I presume that the honorable member for Wentworth has spoken with the full authority of the party to which he belongs—that he proposes to destroy a monopoly only when it is destructive. Why, it is a cardinal principle of his creed that a monopoly is a very bad thing. It is competition that he wishes to insure.

Mr. KELLY.—What about the honorable and learned member's Socialism?

Mr. HUGHES.—The honorable member forgets that when he is speaking, he does not hold the opinions that he entertains when he is interjecting.

Mr. KELLY.—The honorable and learned member should welcome me as a convert on this occasion, and should vote with me.

Mr. HUGHES.—It appears to me that we require the power—not necessarily to exercise it—to repress all monopolies. Let me give an instance of a monopoly which is certainly not a destructive one, but which nevertheless, it might be very desirable to repress. I refer to the Shipping Combine upon the Australian coast. The evidence tendered to the Royal Commission, of which I had the honour to be Chairman, was to the effect that in many instances that combine produced beneficent results. It regulated rates.

Mr. DUGALD THOMSON.—The honorable and learned member knows what other witnesses stated.

Mr. HUGHES. — I am saying what others said. I do not care what the honorable member says. The evidence given by a number of witnesses was that the Shipping Combine regulated rates, and that it prevented the fluctuation of prices, and enabled the people to see ahead, and thus to enter into contracts. They asserted that its existence was a very good thing.

Mr. McWILLIAMS.—The shippers did not say so.

Mr. HUGHES.—The witnesses said so—the members of the Chambers of Commerce in the various States said so.

Mr. DUGALD THOMSON.—Only some of them.

Mr. HUGHES.—It is only some honorable members who are objecting to my statement, but apparently they are a little hundred. The Shipping Combine, I repeat, is not a destructive monopoly at all. On the contrary, it is a very good monopoly, and one which is for the benefit of the people of Australia. The late Mr. Grayson emphasised the good points of the combine. He pointed out that formerly a shipper might be charged £5 per ton freight upon goods shipped from Fremantle to Melbourne during one week, and that during the next week the rate might be increased to £7 per ton, or reduced to 27s. 6d. per ton. Thus, shippers never knew where they were. The combine, however, has enabled rates to be struck and maintained for a long time. That in itself is a good thing. It is a good thing that there should be uniformity in many cases. What does the Standard Oil monopoly say? It says that its existence is a good thing because it regulates rates without levying excessive charges. The evidence given before the Tobacco Commission was to the same effect, namely, that it did not increase the price of tobacco, and that the only benefit conferred was to be found in the lesser number of persons who are employed by the combine in the manufacture and distribution of the article. Therefore, I hold that it would not be wise to insert the word "destructive" in the way that is proposed. We require power to repress monopolies, and to regulate them. I hope that the Minister will not consent to emasculate this Bill. The amendments which are already before us are sufficiently formidable. They cover four pages of print, and represent only a fractional part of the proposals that will doubtless be considered by the Committee, and accepted. If the Bill is to be cut about in the way that seems to be threatened, it may as well be put under the table at once. The insertion of the word "destructive" would confine the title of the Bill—

Mr. WILSON.—That word is already in the Bill.

Mr. HUGHES.—But we can alter that.

Mr. KELLY.—Only by altering the Bill.

Mr. HUGHES.—I propose to alter it by striking out the word "destructive" in the title, whereas the honorable member for Wentworth wishes to amend it by inserting the word "destructive" before the

word "monopolies" in this clause. There are always two ways of doing a thing. I desire to do something in one way, and the honorable member proposes to do it in another. I suggest to the Minister of Trade and Customs that he should not agree to the amendment.

Sir WILLIAM LYNE.—I do not intend to.

Mr. HUGHES.—Then I shall resume my seat at once.

Mr. JOSEPH COOK (Parramatta) [3.8].—It is marvellous how quickly things are decided at the table of the House. The Minister has merely to say that he agrees with the final words uttered by the honorable and learned member for West Sydney, and the matter is settled.

Mr. ISAACS.—He said it long ago.

Mr. JOSEPH COOK.—Did he?

Mr. ISAACS.—He did.

Mr. JOSEPH COOK.—I should like to raise another point. I am not at all sure that this Bill is in order. I can find in it no trace of anything which corresponds with its title.

Mr. HUGHES.—We can alter the title.

Mr. JOSEPH COOK.—But we have not altered the title. On the contrary, we have specifically affirmed it.

Mr. HUGHES.—We have affirmed very many things in our time.

Mr. JOSEPH COOK.—I ask that the honorable and learned member should cease his inane chatter. He seems to have a fit upon him to-day. I claim that the body of the Bill should be in conformity with its title. I submit that it does not do so in any particular. We have before us a proposal to put upon the face of the Bill something which is already embodied in its title, and which has already received the affirmation of the Committee.

Mr. HUTCHISON.—The title of the measure has still to be put to the Committee.

Mr. HUGHES.—The title has not yet been put.

Mr. JOSEPH COOK.—The short title of the Bill has been affirmed.

The CHAIRMAN.—Clause 1, which relates to the short title of the measure, has already been agreed to. The Committee is now discussing clause 2. But I would point out to the honorable member for Parramatta that the title of any Bill is the last thing which is dealt with in Committee, the object being to afford honorable members an opportunity—should it be desirable to do so—of so altering it as to make it conform with the general provisions of the measure.

Mr. HUGHES.—Has the order of leave been put?

Sir WILLIAM LYNE.—No.

Mr. HUGHES.—The deputy leader of the Opposition is upon the wrong track.

Mr. JOSEPH COOK.—I am glad that the honorable and learned member is taking such a keen interest in this Bill. Personally, I think that the word "destructive" ought to be inserted in this clause. Its inclusion would be in keeping with the trend of the debates which have taken place, and with the admissions which have emanated from all quarters of the House. To quote the leader of the Labour Party—

A combination, a corporation is the inevitable tendency of trade all over the world.

Consequently, I think that instead of aiming at the repression of monopolies, which may be harmless—which may in themselves be productive of good results so far as the consumers of Australia are concerned—we ought to limit the operations of this Bill to the repression of monopolies which have proved their destructive character.

Sir WILLIAM LYNE.—The honorable member wishes to restrict the scope of the measure.

Mr. JOSEPH COOK. — I do. I think it is very necessary to restrict the scope of the Bill, and I hope that many attempts will be made in that direction before it emerges from Committee.

Mr. KELLY.—To which Bill is the honorable member referring?

Mr. JOSEPH COOK. — I suppose to the number 2 revise of the measure.

Sir WILLIAM LYNE.—Why does the honorable member say that?

Mr. JOSEPH COOK. — I do not understand why the Minister should take up the attitude that he has adopted. He has limited the scope of the Bill in many ways. He has altered its machinery in a most drastic manner, and one which will require to be looked into very carefully at a later stage. Why he should steel his mind against any further suggestions, the adoption of which would tend to improve the Bill, and to limit its scope, I fail to understand. I believe that the more reasonable the limitations we impose upon these monopolies, the more firmly will fair and reasonable competition be safeguarded and maintained. Reasonable competition is the best destroyer of monopolies that I know of, or that political economists have discovered.

Mr. WATSON.—We all piously hope for the millennium.

Mr. JOSEPH COOK.—I am afraid that we cannot follow the leader of the Labour Party in this matter, because he has already declared that he does not think the Bill will accomplish much good.

Mr. WATSON.—The honorable member's own attitude is even more inexplicable. He pretends to be in favour of the measure, but votes against it.

Mr. JOSEPH COOK.—The honorable member for Bland has already told us that he regards this Bill merely as a step towards the nationalization of monopolies. Taking the little interest in the measure that he does—regarding it merely as a passing economic phase, and as only one step in the process of evolution which he believes to be inevitable, we cannot accept him as a guide in so shaping the Bill as to make it of real service to the community. He does not believe that it can be so altered as to make it possible for these corporations to remain in private hands, having in view the best interests of the community. We, upon the other hand, take up the position that there is no need for nationalizing these proposals, and, therefore, our aim is to eliminate from the Bill anything which will interfere with the ordinary processes of the co-operative principle as it is applied to the satisfaction of human needs. Consequently, any proposal which aims at the repression of destructive monopolies—that is at monopolies proved to be destructive—is a fair subject for consideration in any Parliament in the world.

Mr. FISHER.—Does the honorable member argue that a co-operative concern is a monopoly?

Mr. JOSEPH COOK.—It all depends upon what is its end and aim. There are some co-operative enterprises which are monopolistic in their character—I mean monopolistic in its harmless sense—in that they embrace within their control and operations the whole of the available trade upon which they act. That fact in itself need not necessarily be harmful to the public. Let us suppose that there is a co-operative enterprise controlling the whole of the trade of one of our up-country towns. It need not necessarily be of a harmful character. The whole thing depends upon its purpose, its structure, and its intent. Co-operation as such is a thing which ought heartily to be commended

wherever we see it engaged in its best work.

Mr. WILSON.—The honorable member is referring to voluntary co-operation?

Mr. JOSEPH COOK.—Of course. But, as with all human effort, and all human contrivances, abuses inevitably spring up, and will continue to do so, unless we can eliminate the passions of men from our ordinary human nature. So long as men are greedy, ambitious, and powerful there is need for these restraints of Parliament being placed upon them. But these evils, as I pointed out the other day, do not necessarily inhere in any system. They are part of the common failing which manifests itself in every relation of life, and it becomes the supreme duty of any Parliament to try to clear away the evils without abolishing, if it can be so arranged, all the good side of co-operative enterprises. The Bill, so far as I can see, aims at interference with co-operative combines, no matter how harmless or destructive they may be. One of the cardinal principles of the Bill, so far as I am able to see its structure, is that, if a co-operative business is succeeding, it must be regarded as necessarily bad. If it proves its success, whether by way of superior machinery, or better means of distribution, or better administrative skill, no matter by what method it achieves its purpose, and how much in the direction of human progress in general it may be, the Bill indicts it, and regards it as a bad thing, to be challenged with a view to its suppression. I do not take up that attitude at all.

Mr. MAHON.—Nobody else does.

Mr. JOSEPH COOK.—Yes; the honorable member, for one, does. Instead of suppressing co-operation in the ordinary sense, he would take it under his wing and control.

Mr. MAHON.—The honorable member has put up an "Aunt Sally" to knock it down.

Mr. JOSEPH COOK.—In every speech which the honorable member makes he does that very thing. Therefore, I shall be in good company if I am doing it; but I am not. The Bill having been brought in ostensibly to repress monopolies where harmful, there can be no harm in making this definitive clause say what the Bill intends to do. Therefore, I shall support the amendment to insert the word "destructive" before the word "monopoly."

Mr. GLYNN (Angas) [3.19].—I do not think it matters very much whether the word "destructive" is inserted or left out, because it cannot possibly affect the text of this part of the measure. It is only where the Court is in doubt as to the meaning of a section that it falls back upon the title or heading, which is then regarded as capable of explaining the doubtful phraseology. But, whether we insert the word "destructive" here or not, unless we alter the clause too, we shall not to any extent affect the Bill as it stands. So that these descriptions in the preamble and in parts of the Bill seem to be more like pious homilies introduced by the Minister of Trade and Customs in order to render more palatable the clauses themselves. If there is an amendment to be made in the clause, I think it ought to be in connexion with the word "repression," because to repress means to put down. This, however, is a Bill to prevent monopolies from arising. As the Minister has shown a disposition, as he did in the case of the Trade Marks Bill, to gradually destroy the whole structure of the measure by the amendments which he is introducing, perhaps he will agree to omit the word "repression" and insert the word "prevention." According to clause 4, the whole object is to prevent monopolies from arising. Surely we cannot repress a monopoly before it has arisen. The aim of the Minister is to prevent so-called foreign companies from coming in here and destroying the existing trade, or which are at present in competition with existing manufacturers. If the competition exists at present there is not a monopoly. The object of the Bill is to stop competition which may result in the destruction of local manufactures.

Mr. ISAACS.—But an Act of Parliament is always speaking in the present, and so it represses it at the time.

Mr. GLYNN.—The Attorney-General wants to make the provision speak only in the future. If it speaks in the present it must speak the moment it is passed, when the monopoly will still be future. It will speak hereafter, no doubt, and then the hereafter will become the present. But the present, in the Attorney-General's mind, is the hereafter, which cannot arise until some time after the Bill is passed. As we are on the question of phraseology, and the Minister is apparently so delighted to change the phraseology

of the Bill, perhaps he will agree to strike out the word "repression," and put in the word "prevention." The honorable member for West Sydney has referred to certain classes of monopolies which ought to be put down as obnoxious in themselves, although they do not do any harm to the public. He referred to a certain shipping combination which ought to be put down, and which is being put down by the Bill. Now, this is a very far-reaching measure. It aims at combinations which in themselves are harmless, and are not obnoxious to the public interested, or to the extent which requires the intervention of the Legislature. I hold that a monopoly ought not to be put down unless it is a true one. I agree with many of my friends in the Labour Party in the destruction of true monopolies. There is a monopoly in land; there may be a monopoly in a land grant railway or in tram-cars. It may be beneficial to the State or municipality to assume their control, and so far as that is concerned I am with them. But agencies which hurt particular producers or manufacturers are not monopolies, because they may be met by competition in the open market. I therefore think I am entitled to say that these descriptions are put at the top of the parts of the Bill in order to render the clauses more palatable. As a matter of fact, in America the so-called monopolies as to which the honorable member for West Sydney and the Bill seem to be so solicitous, are put down against a very strong public opinion. The legislation has gone far beyond what was intended. For instance, in *State and Federal Control of Persons and Property*, a work by C. G. Tiedeman, several State decisions are referred to, in which it is declared that where the operations of a particular combination—and they do not talk of monopolies there—are harmless—

Mr. ISAACS.—The Sherman Act uses the word "monopoly."

Mr. GLYNN.—The terminology in the text-books, and in most of the State Acts I have seen, is "combinations and trusts in restraint of trade." But in this book, at page 404, attention is drawn to the fact that several State decisions were given, acting upon a primary instinct of justice, in a direction which was subsequently found to be wrong by the Supreme Court, because the legislation went beyond the instincts

of moral conduct and ethics. It was held by the State Court that—

The test of the validity of such contracts or combinations is not the existence of restriction upon competition imposed thereby, but the reasonableness of that restriction under the facts and circumstances of each particular case.

Mr. ISAACS.—At common law.

Mr. GLYNN.—They were following the common law, no doubt. This Bill reverses the principles of British common law, because there restraint of trade must be unreasonable. It shows the care which we must exercise when we find that the ordinary principles in relation to trade which have been laid down by Judge after Judge as the very essence of our common law are being reversed by this kind of legislation, and in a way which shocks the sense of justice of some of the State Courts in America. It is pointed out, for instance, that—

The same question was raised before the Supreme Court of the United States in the Joint Traffic Association, the purpose of which association was stated in the preamble of the articles of agreement to be to "aid in fulfilling the purpose of the Inter-State Commerce Act, to co-operate with each other and adjacent transportation associations, to establish and maintain reasonable and just rates, fares, rules, and regulations on State and Inter-State traffic, to prevent unjust discrimination, and to secure the reduction and concentration of agencies and the introduction of economies in the conduct of freight and passenger service."

Notwithstanding that these were the objects, and that they were being carried out, it was held that, owing to the wording of the Act, which, like this Bill, was directed against restraint of trade, the innocence and character of the competition did not give it any immunity, and that the operations of a joint traffic association were illegal within the meaning of the Act. Similarly—

It has been held in a number of States that all contracts and agreements between fire insurance companies for the establishment of uniform rates of premium are in violation of these anti-trust Statutes.

The text-book writers acknowledge that very often they are harmless, or, at all events, not obnoxious within the spirit of the thing.

Mr. DUGALD THOMSON (North Sydney) [3.25].—The Minister of Trade and Customs has not told us whether he agrees with the suggestion of the honorable and learned member for Angas.

Sir WILLIAM LYNE.—I propose to adhere to the words in the Bill.

Mr. DUGALD THOMSON.—The Minister is now adhering very strictly to the wording of the Bill. We have had an intimation from the honorable and learned member for West Sydney that in another part of the Bill he intends to move for the excision of the word which it is proposed to insert here. I think that we will have evidence as to whether the intention of the Ministry is to support the policy of the Corner, that is, the dealing with all monopolies, whether they may be offensive or not, by the attitude which the Minister now assumes as regards the use of the word in this position, and that which he may assume as regards its use in another position.

Mr. KELLY (Wentworth) [3.26].—I think that before going to a division we should know definitely from the Minister of Trade and Customs his attitude in the whole matter. He has told us that he is going to stand to the Bill. Does that mean that he is going to stand to the Bill right through?

Mr. ISAACS.—He has not used that expression; he has said that he proposes to adhere to the words in the Bill.

Mr. KELLY.—Will the Minister give us an assurance that he will leave the word "destructive" in the title? If he will give us that assurance it will put us in a much better position.

Sir WILLIAM LYNE.—Wait until we come to it.

Mr. KELLY.—Surely the Minister must see that one question is bound up with the other. At the present moment we are asking the Minister to bring this part of the Bill into line with the rest. We ask him to allow us to use the same word here as appears in the title. In answer to a sudden demand from a member of the Labour Party, he expressed his immediate determination not to put in the word which we wished to be inserted.

Mr. ISAACS.—That is not fair.

Mr. KELLY.—Is there anything not accurate and strictly fair in what I said?

Mr. ISAACS.—The honorable member insinuates that the Minister had not told us before.

Mr. KELLY.—I think that my words were that the Minister gave voice to his immediate determination not to put in the word "destructive."

Sir WILLIAM LYNE.—I did it some considerable time before the honorable and learned member for West Sydney said a word.

Mr. KELLY.—If the Minister did say anything of the sort, it must have been *sotto voce*.

Sir WILLIAM LYNE.—I said it very distinctly.

Mr. KELLY.—Then I am afraid that I am doing the Minister an injustice.

Sir WILLIAM LYNE.—I am sure of that.

Mr. KELLY.—The honorable gentleman had apparently decided not to put in the word "destructive" long before he heard the loud voice of the honorable and learned member for West Sydney. The point is that that honorable and learned member has told us that he is going very much further than the Minister has declared his intention to do, and proposes to move that the word be struck out of the title of the Bill. Is the Minister prepared to go that far with the honorable and learned member for West Sydney?

Sir WILLIAM LYNE.—The honorable member will find that out when we get there.

Mr. KELLY.—That is not good enough for honorable members on this side. We have accepted assurances from the honorable gentleman which have been of no use to us, and, therefore, possibilities and probabilities are not likely to be of much use. The honorable gentleman must see that if he is going to stand by the title of the Bill, which describes its purpose, and if the title is to include the term "destructive monopolies," our opposition would not be so strong as it would otherwise be. If the title is to remain as at present, what we are fighting for now is merely the use of the same phraseology here as that used throughout the rest of the measure; but if, on the other hand, the word "destructive" is to be removed from the title of the Bill, our fight now must be for a principle, and not merely with respect to mere phraseology. The honorable and learned member for Angas raised the question as to whether it would not be wiser to alter the description of Part II. by using the phrase "Prevention of monopolies" instead of "Repression of monopolies," and the honorable and learned gentleman's arguments on that point were very forcible.

Sir WILLIAM LYNE.—If the word "prevention" were used, how should we deal with monopolies already existing? By the use of the word "prevention" we could deal only with monopolies which cropped up after the passing of the Bill.

Mr. KELLY.—We could continue to prevent. The use of the word prevention would not necessarily mean that we should prevent once, and once only.

Mr. GLYNN.—The word "prevention" is used in the Constitution in the reference to the "prevention and settlement of industrial disputes."

Mr. KELLY.—Exactly, and we have acted upon that use of the word.

Mr. ISAACS.—Honorable members will find the word "settlement" used in that connexion as well as the word "prevention."

Mr. KELLY.—We can go on preventing. The Attorney-General will admit that in the arbitration measure which we passed we have used the word "prevention."

Mr. ISAACS.—Yes; but we have used the word "settlement" as well. Arbitration applies to both settlement and prevention.

Mr. KELLY.—The word "settlement" is used for an entirely different purpose in that connexion, as the Attorney-General knows.

Mr. ISAACS.—If the word "prevention" covers the whole ground, what is the objection to the word "repression"?

Mr. KELLY.—Because we wish to make the Bill verbally perfect, if possible.

Mr. DUGALD THOMSON.—The word "prevention" is used in the next line, to describe Part. III. of the Bill.

Mr. ISAACS.—The next line is "Part III., prevention of dumping," because Part III. deals with that.

Sir WILLIAM LYNE.—We cannot deal with dumping which has taken place in the past. We must deal with dumping in the future.

Mr. KELLY.—The Minister must see that the word "prevention" has a continuous sense, and the objection taken to it does not apply. The last argument used bears very much against the honorable gentleman's position, because if prevention can have a future tense, why can it not have a present tense? Part II. of this Bill deals entirely with the prevention of monopolies, as the Attorney-General must see, and not with the repression of monopolies in the ordinary sense of the term. I think that the Minister might very well accept the suggestion of the honorable and learned member for Angas. We have a right to know definitely from the honorable gentleman what is his attitude in regard to the use of the phrase "destructive monopolies."

Sir WILLIAM LYNE.—My attitude is to stick to the Bill.

Mr. KELLY.—To stick absolutely to the Bill?

Sir WILLIAM LYNE.—Excepting with slight variations.

Mr. KELLY.—What variations?

Sir WILLIAM LYNE.—The honorable member will see as we go on.

Mr. KELLY.—I am afraid that the Minister does not help us. I have no wish to delay the consideration of the Bill, but it seems to me that we must know what the Minister is prepared to do. We wish to know whether we are fighting for a principle or merely for an alteration of the verbiage of the Bill. If only a verbal alteration is involved, the matter does not require strenuous attention, but if we are fighting for a principle, we should make the fight at this stage once and for all. I ask the Minister whether he really means to repress all monopolies or only destructive monopolies? If the honorable gentleman means to repress all monopolies, the question as to what is a monopoly will arise, and he will find himself in a maze of difficulty, which will certainly not facilitate the passing of the measure. The honorable gentleman must see that if he does not use the word "destructive" here the question must be raised whether a monopoly is destructive or not. The honorable and learned member for West Sydney has no doubt a monopoly of some things that other people may want.

Mr. HUGHES.—What is it?

Mr. KELLY.—The honorable and learned gentleman may be said to possess a monopoly of his effects so far as the people who desire to get them are concerned. I say that the Minister must consider this question now if he wishes to pass the measure with due celerity.

Sir JOHN QUICK (Bendigo) [3.37].—I hardly think that it is necessary for the honorable member for Wentworth to take up so much time in demanding an assurance from the Minister that he is going to stand by his own Bill, because the Bill as drawn, and according to its express scope, is not a Bill for the repression of monopolies generally. It is a Bill for the repression of destructive and injurious monopolies, and the Minister will, therefore, have to stand by the words in the title. I cannot see how he can possibly abandon the terms of the title without at the same time abandoning the fundamental principle of his

own Bill. That fundamental principle is the repression, suppression, or prevention of combinations and monopolies injurious to the public, or to the public detriment, or that are conducted with the intention of destroying industries. The Minister could not, therefore, abandon the words in the title without the abandonment of his own Bill.

Sir WILLIAM LYNE.—I did not say that I was going to abandon the words in the title.

Sir JOHN QUICK.—I should apprehend that the honorable gentleman would not say that. It is therefore rather an unnecessary reflection upon the Minister to ask him at this stage if he is going to abandon the fundamental principle of his own Bill. I assume that he will not. If the honorable gentleman does attempt to abandon it, that will be time enough to challenge his attitude, and I shall be prepared to support the honorable member for Wentworth if the Minister does assume an attitude of abandonment of the principle of his own Bill. With reference to the suggestion of the honorable and learned member for Angas that the word "prevention" should be substituted for the word "repression," I would point out that it might be that there are at the present time existing agreements and combinations which it is necessary to suppress. When we come to the clause dealing with this matter I shall be prepared to inform the honorable and learned member of certain agreements or combines in existence at the present time, or which were in existence at so nearly the present time as to justify our regarding them as present evils which might be suppressed under this measure.

Amendment negatived.

Clause agreed to.

Clause 3—

In this Act, unless the contrary intention appears—

"Commercial Trust" includes a combination, whether wholly or partly within or beyond Australia, of separate and independent persons (corporate or unincorporate) whose voting power or determinations are controlled or controllable by—

- (a) the creation of a trust as understood in equity, or of a corporation, wherein the trustees or corporation hold the interests, shares, or stock of the constituent persons; or
- (b) an agreement; or
- (c) the creation of a board of management or its equivalent; or
- (d) some similar means;

and includes any division, part, constituent, person, or agent of a Commercial Trust.

"Lower remuneration for labour" includes less pay or longer hours, or any terms or conditions of labour or employment more disadvantageous to workers.

"Person" includes corporation and firm and a Commercial Trust.

Mr. HUGHES (West Sydney) [3.40].—In dealing with this clause, I should like to point out to the Minister that it contains no definition of an "industry." On the face of it, it might appear to be unnecessary to define an industry; but it appears to me that, from the experience we have from other countries of the very ingenious ways in which trusts do climb out, it would be as well to define an industry, and I do not think that it could be done in a better place in this Bill than in this clause. I suggest that an industry is—

An occupation in which persons are engaged in producing, manufacturing, distributing, or introducing into the Commonwealth from foreign countries or from one State to another anything having an exchange value.

If persons are employed in the production, manufacture, distribution, or introduction from foreign countries into the Commonwealth or from one State of the Commonwealth into another, of anything having an exchange value, they may be said to be employed in an industry.

Mr. DUGALD THOMSON.—The definition suggested would not cover a corporation trading in one State only.

Mr. ISAACS.—The definition suggested would not be wide enough. It would not cover a corporation engaged in a purely intra-State occupation.

Mr. HUGHES.—That is so. We might insert the words "or in any State" in the definition I have proposed, and I submit that, with that emendation suggested by the honorable member for North Sydney, the definition I have proposed would cover the ground. In any case, I submit to the Minister that it is very necessary for us to define what an industry is. Later on in the Bill honorable members will find reference made to "any person who willfully, either as principal or as agent," does anything with a view to "destroying an Australian industry." Now, what is an Australian industry? What is an industry? Because on the face of it anything might be an industry, but it would by no means follow when a case was brought before the Court. It might be said that what was complained of was no industry at all, and that the Bill was never intended to cover it. We should therefore put down

what we mean in plain words. We should not object to the repetition of terms, but should put what we mean in plain, explicit language. We mean to preserve Australian industries, and therefore we should not hesitate to declare what an industry is. I think that industries are those occupations which are connected with the production, manufacture, distribution, or introduction of anything from foreign countries, or from one State to another, having an exchange value. What is an industry?

Mr. DUGALD THOMSON.—Preaching.

Sir WILLIAM LYNE.—Shipping is an industry?

Mr. HUGHES.—Of course it is; there can be no sort of doubt about that. A whole heap of occupations are industrial, while a number are on the border line. Suppose a trust were formed merely to control—without affecting any particular industry—the prices of commodities after they have come from an industry, and have been placed on the market, would that be regarded as an industry? I do not know. The Bill does not say, for instance, that selling commodities in a store is an industry; and it is fairly questionable whether it is. In an Act of Charles II., the words, “All persons are subject to this Act,” have been held times out of number to mean not all persons, but only all persons within the meaning of the Act; and that, of course, excludes by far the greater number of persons in the community. The party to which I belong have no great faith in legislation to repress monopoly, and believe that, if legislation can do so, it is only by setting forth, in clear and emphatic terms, what an industry is. I should like to point out to the honorable member for North Sydney that there are some occupations which we might not desire to repress, and which, under the Bill as it stands, might be killed. That is not a desirable result. I do not want to make this measure a drag-net, or to cause it to act in Donnybrook fashion, and smash a head whenever a head appears. I should like the Bill to be specific in regard to something as to which, I believe, a great many honorable members opposite are at one with honorable members on this side. We cannot be too clear and precise in our terminology; and, therefore, when we describe this Bill as one to preserve industries, we ought to emphatically declare

what an industry is. I hope the Minister will agree to insert a definition.

Mr. ROBINSON (Wannon) [3.46].—I think that the objection of the honorable and learned member for West Sydney is partly met by sub-clause *a* of clause 4. An association with the object he mentions, namely, the raising of prices after commodities have left the hands of the producer, would be an association endeavouring to restrain trade or commerce, and, therefore, would be partly met by that clause. I should like, however, to have an exposition from the Attorney-General of the meaning of this clause. I have read it several times, and it is about as difficult to construe as any clause could be. What is the meaning of “commercial trust”? On this I should like some explanation from the Attorney-General—an explanation that would give the Committee information as to what points the Attorney-General desires to meet, and why he should make such a comprehensive definition to cover cases which have arisen elsewhere. We should have some explanation in order that we may not legislate in the dark. As to the proposed definition of “industry,” I think it would be unwise, because in such a proposal I can see something which might exclude certain restraints of trade and commerce, which, in my opinion, ought not to be excluded.

Mr. ISAACS.—For instance, what?

Mr. ROBINSON. — The Attorney-General knows full well that the Sherman Act has prevented restraints of trade and commerce, not merely as between States, but by means of trades unions. The case which I mentioned in the discussion on the Union Label Bill last year, was referred to by the Attorney-General himself as one which dealt with restraint of trade and commerce by means of trades unions. Honorable members will remember the case I then cited of a hatmakers' union which endeavoured to prevent trade and commerce between States by boycotting or otherwise restricting hats made in one State from passing to another State. In that instance the trades union was stopped under the Sherman Act; and when I quoted that case the Attorney-General said, “Yes, that was a case in which the trades union was sued for triple damages,” and so forth. I am afraid that an attempt will be made to exclude from the application of the Bill all operations of that kind. If we are going to repress monopolies—to

repress anything which restrains trade and commerce—it must be all-round repression. It must not be a repression which hits only at organized capital, and does not interfere with organized labour, allowing the latter to restrain trade and commerce as much as may be desired. That is the object of the proposal which I understand is about to be sprung on the House.

Mr. ISAACS.—By whom?

Mr. ROBINSON.—I cannot give the name of the honorable member who may submit the proposal.

Mr. ISAACS.—The honorable member does not suggest that the Government intends to do so?

Mr. ROBINSON.—No; and I hope the Attorney-General does not think that that is what I intend to convey. I mean that in trying to define too much in the clause we may make a loop-hole, and permit it to be hereafter said that the Legislature did not aim at repressing restraint of trade and commerce, except by organized capital. To such a proposition I object. However, generally speaking, I hope the Attorney-General will give an exposition of this very complicated clause.

Mr. HUGHES (West Sydney) [3.50].—I move—

That after the word “appears,” line 2, the following words be inserted:—

“‘Industry’ means any occupation in which persons are engaged in the production, manufacture, or distribution in any State of the Commonwealth, or the introduction from foreign countries into the Commonwealth, or from one State to another, of anything having an exchange value.”

I think that pretty nearly covers the ground.

Mr. ROBINSON.—It covers a good deal, anyhow.

Sir WILLIAM LYNE (Hume—Minister of Trade and Customs) [3.51].—At present I cannot see any necessity for this amendment, which, in my opinion, might do some harm. It might restrict the operation, to some extent, of the interpretation put on the word “industry” by a Court or by the Judge of a Court. It would be better to leave the interpretation to a Court; because every one, especially a Judge, knows what the word “industry” means. I find that in the Commonwealth Conciliation and Arbitration Act, the definition of the word “industry” is as follows:—

“Industry” means business, trade, manufacture, undertaking, calling, service, or employ-

ment, on land or water, in which persons are employed for pay, hire, advantage, or reward.

I think that definition, too, restricts the meaning of the word. I do not know that the honorable member for West Sydney intends to press his amendment, which, though it may not do much harm, may possibly do more harm than good. I do not see any danger in leaving the interpretation of the word “industry” to the Court or the Judge.

Mr. JOSEPH COOK (Parramatta) [3.53].—How can honorable members possibly grasp an amendment like this in the absence of any explanation on the part of the mover? The amendment may be dangerous, or it may be perfectly harmless—I do not know which. I should like the honorable member for West Sydney to explain the reason for proposing the insertion of this definition. What calamity is it intended to meet? What phase of the Bill is it intended to cover? I should have thought that the interpretation clause of this Bill was already far too wide, though it appears that the honorable member for West Sydney regards it as not wide enough.

Mr. HUGHES.—The honorable member did not hear me, but I said that in many cases the interpretation clause might be too wide.

Mr. JOSEPH COOK.—I should like to hear from the honorable member some explanation of, or reason for, this amendment.

Mr. HUGHES.—I say that the Bill ought to be limited to definite purposes.

Mr. JOSEPH COOK.—Is that why the honorable member proposes to insert an amendment which covers the whole gamut of economics, from A to Z?

Mr. HUGHES.—I do not think that the amendment does so.

Mr. JOSEPH COOK.—I cannot conceive a wider term than “industry.”

Mr. HUGHES.—The honorable member is quite wrong in saying that the amendment covers the whole gamut of economics, though he would be right in saying that it covers the whole gamut of industry.

Mr. JOSEPH COOK.—“Industry” will cover anything relating to the employment of labour—to the performance of labour, and to all connected with our industrial life. What is the idea of the insertion of a proposal of this kind in the forefront of clause 3? What circumstances

not already provided for does the honorable member propose to meet? All I know is that the amendment is of the widest possible character, and would embrace within its scope and operation the whole of the operations of our industrial life. However, if the Ministry do not propose to offer any determined opposition to the amendment I do not see why I should.

Mr. GLYNN.—The amendment will take the trade unions out of the Bill—that is the idea.

Mr. ISAACS (Indi—Attorney-General) [3.56].—I hope the honorable member for West Sydney will not press the amendment. I agree with the Minister of Trade and Customs that the words "Australian industry" are of general import, and that there will not be much difficulty in understanding them. I am afraid that an artificial definition such as that proposed—and rather complicated it is, too—would make the clause more difficult to understand and interpret. The amendment might unduly extend or unduly restrict—I am not prepared at the present moment to offer an opinion as to what the effect would be. As to the attitude of the Government, I suggest that we keep to the ordinary, well-known English words, "Australian industry." We all understand what these words mean.

Mr. McWILLIAMS.—They are wide enough for anything.

Mr. ISAACS.—They are wide enough, and narrow enough. They are well understood, and it would be very difficult now to insert a definition, having some degree of artificiality, which could better express what we mean than do the words of the clause as it stands.

Mr. JOHNSON.—The proposed definition would clash with the definition in the Conciliation and Arbitration Act.

Mr. ISAACS.—Of course, the two Acts are separate.

Mr. JOHNSON.—But both Acts apply to the same thing.

Mr. ISAACS.—We have not had an opportunity to consider the proposed definition, and I suggest that the ordinary words of general import, namely, "Australian industry" should be retained, and that we trust to their regular and ordinary interpretation.

Amendment negatived.

Mr. GLYNN (Angas) [4]. — Like the honorable and learned member for Wannon, I should like some explanation of the

effect of the definitions in the interpretation clause. The definition of "commercial trust" seems to me to be very wide. "Commercial trust" is not said to mean a certain thing; it "includes" certain things; so that the words have their ordinary signification, and, in addition, the special meaning given here. The word "includes" is twice used. A "commercial trust" includes something which includes something else — a method of definition which I have not seen adopted before. "Commercial trust" includes "a combination, whether wholly or partly within or beyond Australia, of separate and independent persons." All combinations are, I suppose, combinations of separate persons. If they were not separate, they could not be combined any more than they were already combined. So far the definition is pretty wide; but it is widest, not in paragraph *a*, which deals with a combination "whose voting power or determinations are controlled or controllable by the creation of a trust," but in paragraph *b*, which deals with a combination "controlled or controllable by an agreement," and in paragraph *c*, which deals with a combination "controlled or controllable by the creation of a board of management or its equivalent." In the first place, I would ask how can a commercial trust be controlled or controllable by the creation of a trust. The control may follow as a consequence of the creation of a trust, but the combination is not controlled or controllable by the creation of the trust. Then the word "trust" is used "as understood in equity"; but in equity a trust is a relation, whereas here it is an entity or combination. I do not know of any definition of the word "trust" in equity synonymous with the signification given to it here, where it includes a combination.

Mr. ISAACS.—The first trust alluded to is a concrete body — the "commercial trust"; whereas the second trust is the relation understood in equity. A reference to trustees follows immediately.

Mr. GLYNN.—Perhaps so; but it is an extraordinary way of defining a term to explain its meaning by the use of a word employed in two significations. Are not all combinations controlled by an agreement? Surely every industrial combination must have its committee and body of rules, and its operations must be controlled by an agreement of some kind. The definition is very wide. The term "commercial

trust" means any body formed by the combination of two or more separate and independent persons whose voting power or determinations are controlled by an agreement, however expressed; or, under paragraph *c*, by the creation of a board of management, or its equivalent. Such combinations are not trusts in the ordinary sense of the word, but they would come within the scope of the measure. Moreover, as the ordinary principle of construction in criminal cases has been violated, guilt being regarded as proved until innocence has been established, such combinations will be *prima facie* guilty of the offences created by the Bill. Unfair competition, according to clause 6, means "competition which is, in the opinion of the jury, unfair in the circumstances"; and it is to be deemed unfair in certain cases until the contrary is proved. If it is found to be unfair, the combination guilty of it will be liable, under clauses 4 and 5, to severe penalties. That is a very dangerous definition. It seems to me that paragraphs *b* and *c* and even *d*, might be struck out. That would confine the definition to an ordinary commercial trust, which is a body whose shares are vested in a committee or board of some sort in such a way that its mandates control the operations of all the associated companies or persons. That is the class of trusts against which the Bill is supposed to be directed, and if the paragraphs which I have mentioned were struck out, it would be efficacious for its alleged purpose, without being exceedingly dangerous to ordinary firms and partnerships.

Mr. JOSEPH COOK (Parramatta) [4.9].—When the honorable and learned member for Angas was speaking, several illustrations occurred to me of the wide sweep which this clause gives to the measure. In the district represented by the honorable member for Newcastle, there have been, almost from the very first, what are known as coal vends, which are combinations of colliery proprietors, formed to fix the selling price of coal, which the Arbitration Court takes as the basis on which to fix its hewing price. Apart from being bound by the agreement as to prices, the companies concerned are free to carry on their business as they choose. The vend system came into vogue as a means of self-protection, because in the district the conditions under which coal is obtained vary extremely, in some places coal being difficult and costly to obtain, and in others

easy and cheap. The colliery proprietors, to protect themselves from the evil effects of the under-cutting which takes place when competition is severe, and is always followed by the reduction of wages, agreed among themselves to sell only at certain prices. Unfortunately, some of the collieries remain outside the vend, and they as a rule create most of the troubles which arise in the district, because they pay lower rates than are generally paid, and adopt various measures to bring down the hewing price of coal, under-cutting in order to get trade. In the western coal district of New South Wales a similar arrangement exists. Last year a Royal Commission was appointed by the Government of New South Wales to inquire into certain allegations made in the Legislative Assembly in respect to the letting of coal contracts by the Railway Commissioners. The vend or agreement operating at Lithgow had raised the price of coal to a very fair rate, and the Railway Commissioners, acting upon strictly commercial lines, gave their orders to a small colliery, which offered to supply them at a very much lower rate, their idea being to keep it going in order, by introducing the element of competition, to bring down prices. But years ago, before there was an agreement, the price of coal in that district was very low indeed. The result of the agreement has been to raise prices to a fair rate—because they are not now abnormally high. The Bill, however, might put a stop to such agreements, although, in my opinion, they are legitimate, and do not affect consumers detrimentally. If such fair trade agreements are interfered with, the Bill will do what it is said to be intended to prevent—that is, it will bring about sweating by creating conditions tending to the lowering of wages.

Mr. ISAACS.—It is easy to say so; but it is hard to prove the statement.

Mr. JOSEPH COOK.—I should like to hear the position explained by the Attorney-General. To my mind, it will be a very serious matter if all trade agreements are indicted merely because they are agreements, although they may control the parties to them only in certain particulars. If that happens, it will strike a blow at the conditions which we wish to maintain, namely, fair agreements providing for fair remuneration, fair conditions of trade, and standards prescribed by means of a voluntary co-operation. I think we ought to encourage that kind of thing, instead of

striking a blow at it. That is the distinction between some of us who believe that co-operation can be brought about voluntarily under the aegis of the State, so far as the prevention of abuses is concerned, and those who would bring all such enterprises under the control of the State itself. Unless this clause is altered, it will aim a blow at voluntary co-operations of a fair and reasonable character, instead of confining itself to the repression of destructive monopolies, which we are all anxious to suppress.

Mr. ISAACS (Indi—Attorney-General) [4.17].—I think that honorable members are reasonable in asking for some explanation of the definition of "commercial trust." There is no Act that I am aware of that contains the definition, but it has been deduced from the various American decisions, as we have them recorded, and I shall explain to the Committee how the clause took its present shape. It is necessary to understand to some extent the development of the trust system, as we call it, in America, and I shall very briefly explain the way in which that evolution took place. There have been three stages in the development. The first stage was this: Separate and independent persons—by that is meant, of course, persons carrying on different businesses, either as single individuals, or firms or corporations separately and independently as regards each other—entered into what are known in America as simple combinations. That is to say, these various separate and independent persons entered into an agreement, and formed what was then known as a combine—that is the strict meaning of the word—by which they determined that they would surrender their individual discretion in carrying on their respective separate businesses, and agreed that they should be conducted only in a particular manner. Some of these agreements were perfectly good, but others were held by the Courts to be bad. An illustration of a case of a simple combination was found in 1892, in the case of the *Texas Oil Company and another v. Adoue*, 83 *Texas Reports*, 650. The gist of the agreement is given as follows:—

A contract between five cotton-seed oil mills, fixing prices of cotton seed, and naming the markets wherein each mill was to buy, and guaranteeing certain profits to each mill, is illegal and void, upon the following grounds: That the prices paid for cotton seed by the parties to the agreement were arbitrarily fixed

without reference to the market, and were changed only by mutual agreement. That the selling prices of the products of the mills were arbitrarily fixed, and each party to the agreement was expressly prohibited from selling its products at less than the minimum price so fixed.

The Court held that such provisions were contrary to public policy and void. It said—

If the object of the contract had been merely to provide in good faith a uniformity of prices among the parties thereto, to avoid unhealthy fluctuations in the market, or if the contract had contemplated a joint and mutual association between the parties for their common benefit in the nature of a partnership, and had simply fixed the prices at what they considered the business would bear, instead of a combination between independent manufacturers and dealers for the purpose of at least destroying all competition between themselves, then there might have been nothing in such an arrangement which the Courts could pronounce as pernicious and forbidden by law. There is no pretence, however, that any partnership was contemplated in this instance; and if there had been, the entire absence of any community of interests in the profits, losses, or capital employed, would have effectually repelled the assumption. Each party retained, after the contract as before that time, the control of his capital and the operation of his own mills, and did not throw his capital or manufacturing concerns into a common stock. He continued to operate with his own separate means, but surrendered his right of competition and of supplying his mills with raw material at the best prices he might otherwise have obtained in the markets of the State, and consented to submit to rates artificially established. But the contract—rather, I say, the combination—did not stop at establishing prices merely.

It was pointed out that the parties had practically entered into a conspiracy. That was a case of a simple combination where separate and independent persons agreed amongst themselves to do something to the detriment of the public. The Court suppressed that kind of combination. Then the ingenuity of the American manufacturer and trader evolved the trust. In *Eddy on Combinations*, at page 550, we find the following:—

The trust form of combination was simply an effort to evade the force of the many decisions against simple combinations. The Courts having held, in the cases reviewed in the last chapter, that neither parties nor corporations could become parties to agreements, pools, or associations for the control of prices and products, it was suggested that the same practical result might be accomplished by the organization of constituent corporations, each stockholder of which would deposit his stock with certain trustees, giving them the power to vote same, and thereby control all the constituent corporations, the stockholder receiving in return for the

stock surrendered trustees' certificates. It was argued, with some show of reason, that a man could do as he pleased with his own, and if he saw fit to place his stock in the hands of another with power to vote it, he could do so. But, as will be seen, the Courts condemned the "trust" as illegal combination under another form and name.

In other words, what they said was: "If we cannot as separate individuals agree with one another as to prices and profits, we shall have no agreement at all as to what we will do, or what we will not do. We shall have a corporation, and hand our shares over to trustees, who will manage the whole of our businesses for us. We shall not say that we will not sell below a certain price, or will not pay above a certain price. We shall not agree to restrict our products or refuse to deal except under discriminating terms, because the Court would hold that to be wrong; but we shall put our shares in the hands of trustees, and get certificates for them. The trustees can exercise our voting power, and our businesses will, therefore, be controllable by them." They, therefore, used the well-known equity system of trust law to aid them in their attempts to get rid of the simple combination decisions. The Court held that that also was bad, and I must say that at present that particular form of monopoly is disappearing in America, because the Courts have hit it very hard. Then the members of the trusts, being prevented from forming simple combinations or trust combinations, adopted another system, which is described in the *Merger* case. They formed an entirely new corporation, which was to have as its own particular function the holding of the stocks of the separate corporations. The new business was managed on corporation lines. The Court said that that form of trust or combination was equally bad, and crushed it in the *Northern Securities* case. If honorable members will follow the definition as it appears in the Bill, they will find that it deals with the various forms of evolution as we have found them in America. In the first place, it is provided—

In this Act, unless the contrary intention appears—

"Commercial Trust" includes a combination, whether wholly or partly within or beyond Australia, of separate and independent persons.

That does not mean separate individuals in the one partnership. If persons become

partners they are no longer separate individuals.

(corporate or unincorporate) whose voting power or determinations are controlled or controllable by—

(a) the creation of a trust as understood in equity, or of a corporation, wherein the trustees or corporation hold the interests, shares, or stock of the constituent persons.

That plainly indicates various separate and independent persons who join combinations.

Mr. WATKINS.—Or firms.

Mr. ISAACS.—Yes.

Mr. WATKINS.—Then the Bill would apply to the case mentioned by the honorable member for Parramatta?

Mr. ISAACS.—A firm as a whole would be one person. The honorable member will see that, according to the definition, "person" includes "corporation and firm and a commercial trust." But the members of a firm would not be separate and independent towards each other.

Mr. WATKINS.—A number of firms in combination would be brought within the scope of the provision.

Mr. ISAACS.—Three firms would be three independent persons.

Mr. WATKINS.—Then the explanation of the Minister must have been misleading.

Mr. ISAACS.—I do not understand the honorable member. I have not said anything that could be calculated to mislead. I think I have been perfectly consistent in all that I have said. The definition continues—

(b) an agreement; or

(c) the creation of a board of management or its equivalent; or

(d) some similar means;

If a number of firms come together and say that they will have a board of trustees or a board of management, we say that that is a trust in another form. We could not follow these combinations throughout all their possibilities, in view of the Protean forms taken by American combinations, and, therefore, we could only leave it to the Court to decide what were "similar means." Then the definition continues—

and includes any division, part, constituent, person, or agent of a Commercial Trust.

Some of these huge commercial trusts embrace within the scope of their operations America, England, and these Colonies, and we could not meet the case if we restricted the operation of the Act to cases in

which a trust confined its business to Australia. These trusts have their divisions. For instance, the International Harvester Trust has what is called its Australian division, and under the Bill we shall be able to deal with that portion of the trust that finds its place in Australia.

Mr. GLYNN.—But the provision would include very much more.

Mr. ISAACS.—I do not think that it includes the case mentioned by the honorable member for Parramatta.

Mr. WATKINS.—The decision read by the Minister would prevent a combination such as the coal vend.

Mr. ISAACS.—No. It prevented a combination which was intended to shut out legitimate competition.

Mr. WATKINS.—Among themselves?

Mr. ISAACS.—Yes; but it did not prevent the payment of prices that the competition would honestly bear. In other words, if the vend were intended to prevent such cut-throat competition as would wipe out legitimate competition, and ultimately leave the public, the workers, and everybody else, at the mercy of those who remained, it would be legitimate, but if it were intended to prevent legitimate competition, and from the first to put every person at the mercy of the combination, it would be illegitimate.

Mr. WATSON.—Summed up, it would remain with the tribunal to decide upon the facts whether or not the competition was fair?

Mr. ISAACS.—Exactly. It is impossible to predicate in advance what is reasonable, and what is not.

Mr. McWILLIAMS.—What would be a fair price for one colliery to pay might be an unfair price for another.

Mr. ISAACS.—In the *Great Nordenfeldt* case in the House of Lords, it was pointed out that it was for the Court to determine whether the combination was to the detriment of the public, or whether it was reasonable under the circumstances.

Mr. WATSON.—Or whether it was a restraint of trade to the injury of the public.

Mr. ISAACS.—It is simply impossible to say beforehand what would be a crime and what would not.

Mr. WATKINS.—I understand that the matter will be decided by the Court, but I think that what we embody in this Bill will prove of guidance to that tribunal.

Mr. JOSEPH COOK.—Obviously it is to be a Court for the regulation of prices.

Mr. ISAACS.—No. There is no difference between this Bill and any other measure which is intended to restrain offences. Everything will depend upon the view which the tribunal ultimately takes of the facts of any case. We cannot get nearer than that. In answer to the honorable and learned member for Angas, I would point out that the definition of a "commercial trust" will not have the effect which he apprehends, because, although there is in the Bill a clause which declares that the fact that a body is a commercial trust, shall raise a *prima facie* assumption, it is not a *prima facie* presumption of guilt.

Mr. GLYNN.—I did not say that it was. I said that the parties had to disprove the allegation of guilt.

Mr. ISAACS.—That is not so. I would point out to the honorable and learned member that the definition of a commercial trust does not enter into any charge that he can imagine, such as "a wilful combination in restraint of trade or commerce to the detriment of the public." Perhaps that is a complete answer to the position put by the honorable member for Newcastle. The only provision relating to a *prima facie* presumption in regard to a commercial trust has reference to paragraph *b* of clause 4 of the Bill which deals with the repression of monopolies. If the honorable member for Newcastle is merely directing his attention to paragraph *a* of that provision, I would point out that the definition of a commercial trust has no reference whatever to it. Clause 6 is the only clause which provides that there shall be a *prima facie* presumption in the case of a commercial trust, and, that being so, it relates only to unfair competition. That "unfair competition" is not a phrase used in connexion with paragraph *a* of clause 4. Consequently the definition of "commercial trust" would have no relation whatever to the decision of a question under paragraph *a* of that clause.

Mr. McWILLIAMS.—Many of these combinations are established merely to raise prices.

Mr. WATKINS.—The combination to which I refer was not formed for the purpose of raising prices, but incidentally it has that effect.

Mr. ISAACS.—If it is formed merely for the purpose of maintaining a fair and

equitable price, such as the business will honestly bear, I have no hesitation in saying that it falls within the class of cases to which I have referred, and that its establishment constitutes no offence at all.

Mr. WATSON.—We must take some power to deal with persons who might put a price of £5 per ton upon coal.

Mr. ISAACS.—Of course. If I rightly understand the position put by the honorable member for Newcastle, he need have no apprehension whatever that the definition of "commercial trust" will be applied to the case to which he has referred.

Mr. McWILLIAMS.—But what if the combination unduly raises the price of coal to the consumers?

Mr. ISAACS.—If it does that, not merely for the purpose of maintaining such a price as the business will honestly bear, but for the purpose of excluding legitimate competition, it will, of course, be hit by this Bill. But that fact does not depend upon the definition of a "commercial trust." The two things are entirely separate. The definition of a "commercial trust" does not enter into the question that has been raised by the honorable member for Newcastle in connexion with the coal difficulty, because that matter would fall within the purview of paragraph *a* of clause 4, with which the definition in question has nothing whatever to do.

Mr. JOHNSON.—How is the price which an article can honestly bear to be determined?

Mr. ISAACS.—It can be determined only by the facts of the case. Of course, the guilt of the person must be proved, but in that relation there is no presumption whatever against the accused. The only presumption contained in the Bill is embodied in clause 6. In that provision there is a presumption of one inference only, and even then facts have to be proved to raise that inference. But in the case which we are now considering there is no presumption of any fact whatever against the accused. I think that I have now answered the question put to me in regard to the definition of a "commercial trust." If there is any other point upon which honorable members desire me to give more detailed information, I shall be happy to do my best to supply it.

Mr. WATKINS (Newcastle) [4.40].—I have endeavoured to follow the Attorney-General in his very difficult task of interpreting this clause. But I cannot get away

from the fact that the proprietors of the coal mines in the Newcastle district are now about to do what they did in years past, namely, arrive at an understanding between themselves, under which they will fix the selling price of coal from year to year. They will determine its selling price at the beginning of the year, not merely for contract purposes, but with a view to fixing the hewing rate payable to miners throughout that year. With the deputy leader of the Opposition, I would point out that, owing to the internal competition which has existed between the colliery proprietors in the Newcastle district, the price of coal has been reduced so that it is now possible to purchase it in the different States at some shillings per ton less than it could be purchased three or four years ago.

Sir WILLIAM LYNE.—The selling price of coal in Australia to-day is the lowest in the world, I think.

Mr. WATKINS.—It was the lowest in the world before it was reduced.

Mr. McWILLIAMS.—It is quite high enough now for the poor people who have to buy it.

Sir WILLIAM LYNE.—It is the shipping companies which make it high.

Mr. WATKINS.—Assuming that the colliery proprietors combine to raise the price of coal at the beginning of next year from 9s. to 11s. per ton, will not the people of the other States invoke the aid of the machinery of this Bill with a view to ascertaining whether the former are not hampering the other industries of the Commonwealth?

Mr. McWILLIAMS.—I hope that they do.

Mr. WATKINS.—I would also point out that in years gone by, whenever the colliery proprietors have been competing with each other as keenly as they have been doing recently, tremendous pressure has been brought to bear with a view to inducing them to put the selling price of coal upon a paying basis.

Mr. ISAACS.—If they merely seek to put its selling price upon a paying basis there can be no question about their action. They are committing no offence at all.

Mr. WATKINS.—But I would point out that the lowest hewing rate fixed by the combine has always been adopted by the colliery proprietors who stood outside of it.

Mr. McWILLIAMS.—Outside the monopoly?

Mr. WATKINS.—There is no monopoly at all.

Mr. McWILLIAMS.—It was very nearly a monopoly.

Mr. WATKINS.—How can there be a monopoly, seeing that only one-third of the trade of the Newcastle collieries is done within the Commonwealth. The remaining two-thirds is done with the outer world.

Mr. McWILLIAMS.—The colliery proprietors dump their coal outside of Australia, and make the people of the Commonwealth pay a higher price for that article.

Mr. FAGE.—That is what the Tasmanian growers do with their apples.

Mr. WATKINS.—I do not think that the honorable member for Franklin would bother to tell the colliery proprietors the price at which he intended to sell his coal—

Mr. WATSON.—The Newcastle coal is all sold at the same price.

Mr. WATKINS.—Absolutely.

Mr. DUGALD THOMSON.—But the colliery proprietors sometimes fix a lower export price for coal.

Mr. WATKINS.—There may have been a chance shipment abroad for the purpose of testing the market. Before this clause is agreed to, I wish it to be clearly understood that the position at Newcastle ought not to be disturbed. Because I believe that to disturb an arrangement of that description would be to do something which would bring an injury not merely upon the combination of proprietors, but upon all the employes at their collieries. I believe that from time to time there has been a sort of vend established by colliery proprietors in the western district of New South Wales, to prevent internal competition amongst themselves, and to enable them to compete on something like a fair basis. My experience of the vend in the northern district is that, while the proprietors do not limit the total output of the collieries in any way, they agree to sell not below a certain price, and whatever trade comes to the port from time to time is, within certain limits, divided according to the capacity of the collieries.

Mr. McWILLIAMS.—That is exactly the same as the trust system in America.

Mr. WATKINS.—Not necessarily, because in America they shut down different industries and limit the output. Under the vend system in operation at Newcastle there is no limit to the output. The

smaller collieries are allowed to fill up to a certain trade limit during the currency of the year, but the bigger collieries, which may be able, perhaps, to command more trade, are only allowed to fill up to a certain capacity, and the balance of the trade is divided among the others. It is a matter of equitable arrangement.

Mr. McWILLIAMS.—It is a combine.

Mr. WATKINS.—It is a combine for certain purposes, but not in the sense in which the word is used in America, because there is no limitation of the total output.

Mr. JOSEPH COOK.—It is a combination to prevent sweating.

Mr. WATKINS.—Yes.

Mr. McWILLIAMS.—That is what Rockefeller said when he floated the Standard Oil Company.

Mr. WATKINS.—At Newcastle miners have practically gone out on strike to get a general agreement with their proprietors, and incidentally to bring the proprietors into a combination, so as to put the business on a fair basis. During the last three or four years, in the Newcastle district, the hewing rate has fallen from 4s. 2d. to 3s. 6d. a ton, which, taking an average of 2½ tons a day, means that a miner has been losing 1s. 10d. a day. The object of the men now is to get the proprietors to fix the selling rate at 11s., or thereabouts, per ton, so that they may get back to the old hewing rate of 4s. 2d. a ton.

Mr. JOHNSON.—Does not the honorable member think that they could increase the wages without putting up the selling price?

Mr. WATKINS.—We have often thought so, but we have never been able to get the proprietors to take that view. I am not too certain that the proportion is not a fair one. I do not think that, in comparison with other commercial concerns, many colliery companies in the Newcastle district have been able to make an immense fortune. However, for the purposes of this clause, I wish the Minister to be absolutely certain as to the composition of the combination, because I know, from bitter experience in past times, that a combination can exist for the benefit of all those engaged in the industry. I am not here to attempt to justify any monopolies such as we read exist in America, or any concerns which attempt to combine for the purpose of grasping the whole of the trade, and then doing what they like. I do not think that a genuine, honest combination,

which was formed for the purpose of improving the whole condition of those engaged in the industry, and whose prices are determined by open competition in the open markets of the world, can hurt any one.

Mr. ISAACS.—They are not struck at by the Bill.

Mr. WATKINS.—Then I am satisfied.

Mr. DUGALD THOMSON (North Sydney) [4.50].—In spite of what the Attorney-General says, under the Bill there will be danger to even such combinations as the vend at Newcastle. For instance, clause 11—and I only allude to this to show the process which will be followed—says—

Any person who is injured in his person or property by any other person.

Mr. ISAACS.—Let us keep to the clause.

Mr. DUGALD THOMSON.—I have a right to try to show what would be the result. The honorable and learned member went over half-a-dozen clauses.

Mr. ISAACS.—I only answered objections which were raised by an honorable member.

Mr. DUGALD THOMSON.—I do not care why the honorable and learned member took that course. I believe, sir, that I am not out of order in showing the process under which such a combination as the vend would be affected. Any person who was affected, or considered that he was injuriously affected by it, could take action. According to the statement by the Attorney-General, the vend is a combination of companies or firms, and is a commercial trust. It is quite true, as he said, that it would not matter in a way if it were not a commercial trust, because any person who restrained trade or commerce to the detriment of the public could be proceeded against; but there is a difference in this respect, that that trust would be held to be conducting unfair competition. The vend would be held to be a commercial trust until the contrary was proved, and as a commercial trust it would be held to be guilty of restraining trade.

Mr. ISAACS. — The honorable member will see that paragraph *a* of clause 4 has nothing to do with a commercial trust.

Mr. DUGALD THOMSON. — Clause 6 reads as follows:—

For the purposes of the last two preceding sections, unfair competition means competition which is, in the opinion of the jury, unfair in the circumstances; and in the following cases

the competition shall be deemed to be unfair until the contrary is proved:—

(a) If the defendant is a commercial trust or agent of a commercial trust.

In that case, I admit the Attorney-General is right in his view. But action could be taken against the vend.

Mr. ISAACS.—No. If it is in restraint of trade, that does not apply to a commercial trust; there is no unfair competition. And if it is unfair competition, it is not in restraint of trade.

Mr. DUGALD THOMSON. — Under clause 11, action could be taken.

Mr. ISAACS.—If there was an offence. The honorable member will see that the definition of commercial trust does not affect paragraph *a* of clause 4, and that it is the only case where the vend comes in.

Mr. DUGALD THOMSON.—It would affect the vend if, for instance, it were injuring an Australian industry by raising the price of coal to the manufacturers.

Mr. ISAACS.—Injuring by means of unfair competition. With which Australian industry would it be unfair competition?

Mr. DUGALD THOMSON.—In what case would clause 11 operate?

Mr. ISAACS.—I am not going to discuss clause 11 now, but it has no relation to what the honorable member is talking about.

Mr. DUGALD THOMSON. — All I say is that if the Act could not interfere with a combination such as the vend putting up its price to any extent, then it would be inoperative.

Mr. ISAACS.—I did not say that. I said that if it only charged what the business could fairly bear, and for the purpose of maintaining fair prices and fair wages, it would not be an obnoxious combination.

Mr. DUGALD THOMSON.—That is not the point at all. Action could be taken against the vend, and if it were considered that the rates being charged by the vend were too high or excessive, then its operations would come under the penalty provisions of the Act.

Mr. ISAACS.—Any person in the community can have proceedings taken against him for any alleged crime, though he may be perfectly innocent.

Mr. DUGALD THOMSON.—The Attorney-General does not want to allude to clause 11, and I do not wish to discuss it at this stage.

Mr. ISAACS.—I honestly think it does not affect this case; but when it is reached I am prepared to discuss its application.

Mr. DUGALD THOMSON.—I think quite the opposite, though, of course, I may be wrong. The honorable and learned member will not deny that under the provisions of the Act the vend would be a commercial trust, and as such would be subject to all the responsibilities and penalties provided therein.

Mr. ISAACS.—I am not sure that it is a commercial trust.

Mr. DUGALD THOMSON.—That is what we wish to know at this stage. In a very lucid explanation of clause 3, the honorable and learned gentleman defined a combination of firms or corporations operating in any of the ways named therein to be a commercial trust. The vend is a combination of firms or corporations operating under an agreement, and in the way described in that clause. Therefore, I maintain that, according to his clear exposition of the meaning of the clause, the vend is a commercial trust.

Mr. ISAACS.—It may be.

Mr. DUGALD THOMSON.—It is. Although its results may be beneficial in the way of raising wages with the selling price, just as high wages paid by other trusts might be beneficial—in America working men support the trusts, because the wages are put up—still the vend would be subject to all the responsibilities of a trust, if a case could be established by the action of an individual, or a firm, or the Attorney-General. In other words, if ordinary consumers complained of the price of coal, or if the steam-ship owners and manufacturers generally said that they were being called upon to pay too much for their fuel, and therefore were hampered in their operations, action could be taken, and the vend, as a commercial trust, would be subject to all the penalties and responsibilities prescribed.

Mr. WATSON (Bland) [4.58].—I do not quite know where the honorable member for North Sydney is on this matter. He has not indicated whether he thinks that there ought to be a provision to control the operations of such a vend or not.

Mr. DUGALD THOMSON.—I am saying that this is one of the purposes of the Act.

Mr. WATSON.—It would be more interesting to know whether the honorable member approves of that as a purpose or not.

Mr. DUGALD THOMSON.—That is one of the beneficial purposes, but the Attorney-General, in his answer to the honorable member for Newcastle, said—

Mr. WATSON.—The honorable member gave us a very lucid exposition of what, in his opinion, the Bill would permit, but he did not indicate, even in a general way, his view of this matter.

Mr. JOSEPH COOK.—What has that to do with the question?

Mr. WATSON.—It is a matter of interest sometimes to know whether honorable members approve of a particular proposal or not.

Mr. JOSEPH COOK.—We know distinctly where the honorable member is.

Mr. WATSON.—Yes, on this as well as on a number of other matters. My view quite coincides with that of the honorable member for North Sydney, so far as the definition of a commercial trust is concerned. I believe that the vend at Newcastle would be a commercial trust within the meaning of the Bill, because that term is here defined as—

a combination . . . of separate and independent persons (corporate or unincorporate) whose voting power or determinations are controlled or controllable by . . . (a) an agreement.

The vend in Newcastle — and I believe there is another in existence at Lithgow — is controlled by an agreement. There are separate and independent bodies engaged in the exploitation of a similar product, and they come to an agreement to sell it at a given price. To my mind, under clause 3 of this Bill that agreement would constitute those bodies a commercial trust. I see no reason why the vend at Newcastle should not be brought within the purview of this measure, and recognised as a trust. The central idea of the measure, as I understand it, is to deal with combinations operating to the detriment of the public. As the honorable member for Parramatta said a little time ago, the gauge in regard to the desirability or otherwise of these combinations is whether their action is beneficial or detrimental to the public interest. Surely it is a proper thing that the vend at Newcastle, or any other combination formed to carry on certain industries, should be subject to a simple investigation.

Mr. WATKINS.—It is the instruction to the Court under this Bill that we require to look after.

Mr. WATSON.—I am quite with the honorable member that we should take care that nothing is done to prevent such legitimate combination amongst coal mine-owners as may be found necessary to enable them to get a fair profit on their capital invested, and to insure fair wages to their employes. But, after all, the test cannot be applied by members of this Parliament. We can only set up machinery that will apply the test. In the tribunal contemplated by this Bill the machinery is provided by which these agreements can be investigated, under the ordinary rules of evidence, and pronounced upon by some body of competent jurisdiction. So far as my limited knowledge of the operations of the vend amongst coal mine-owners is concerned, I have not heard that any outrageous price has been fixed as the result of their operations. In fact, I am inclined to think that, from the New South Wales stand-point, and also from the national point of view, we were for years pouring out our natural wealth from the coal-mining districts, to outsiders in particular, at a ruinously low price. Assuming that there were no great developments in regard to power production in other directions, we were giving away at an infinitesimal price what we could never replace—at a price which yielded no profit to the owners, to the miners, or to the State as a whole. Any system which would overcome that, and operate in the direction of fair and reasonable trading, might be welcomed by any person.

Mr. McWILLIAMS.—They sold coal outside at a lower price than they were getting for it in Australia.

Mr. WATSON.—I am not aware of that.

Mr. WATKINS.—No. There might have been chance shipments sold at a lower price.

Mr. WATSON.—I say that, so far as my investigations have carried me, I am under the impression that, taking quality into consideration, our coal has been cheaper over the last twenty years in Newcastle and other coal-mining districts of New South Wales than in any other part of the world.

Mr. WATKINS.—That is true.

Mr. WATSON.—I do not say that I have any objection to the vend as at present carried on, but we must recognise that power of an irresponsible character nearly always leads to abuse. And suppose that the coal mine proprietors in the vend found

it practicable to fix the selling price of coal at 10s. a ton, they might be tempted at some time to raise the price to several times that amount, always placating the men in their employ by handing over to them a certain proportion of what was improperly taken from the public. That would not be a state of things which we could contemplate with any resignation from the stand-point of the public. Surely it is a proper thing to put the persons comprising a vend in the position of having to justify any large increase in the price of the article they control, of having to show that their industry demanded such a price in order that it might be carried on successfully.

Mr. JOSEPH COOK.—They could not do what the honorable gentleman suggests under the simple agreement which exists now. They would have to make the vend into a trust before they could do so.

Mr. WATSON.—Even so, I understand that the main purpose of the Bill is to regulate—

Mr. HARPER.—It makes a combination a trust which otherwise would not be a trust.

Mr. WATSON.—Does not the honorable member for Mernda see that the Bill, if it is to be worth the paper on which it is printed, must deal with combinations operating to the detriment of the public?

Mr. HARPER.—I know that, but my reference was to an interjection which showed that the effect of this Bill would be to create trusts. I am not saying whether they are right or wrong.

Mr. WATSON.—What is there in a name, after all? What difference does it make if we speak of a trust, a body of people working under an agreement, a combination, or of a monopoly? Call the combination what we will, the fact which should appeal to us as trustees for the public is that here is a body of men already working in harmony, and under an agreement, and apparently in a perfectly justifiable way, but with the potential power to use their combination to the detriment of the public. The test is whether the power of the combination is being used to the detriment of the public.

Mr. HUTCHISON.—Although the Bill might force a combination to become a trust, it would not be affected unless its operations were destructive.

Mr. WATSON.—The fact of calling it a trust will not in itself injuriously affect

the combination. It will only be affected injuriously if the tribunal constituted under this Bill decides that the agreement is detrimental to the public. That is where the acid is put on. The test is whether a particular combination is acting detrimentally to the public interest, and that, after all, must be decided by a competent tribunal in open Court.

Mr. WATKINS.—That is what we want.

Mr. JOHNSON.—Will not the raising of the price of an article be acting detrimentally to the public?

Mr. WATSON.—Not necessarily.

Mr. JOHNSON.—I think it will.

Mr. WATSON.—The use of the words imply at least, if the statement is not specifically made, that it must be unjustifiably to the detriment of the public. Of course, to charge anything for an article is in a sense detrimental to the public, because it would be better for the public if they could get every article for nothing. The mere fact that the vend charge some particular price for a ton of coal does not convict them of acting to the detriment of the public. It would have to be proved to the satisfaction of the tribunal that the price charged was more than sufficient to pay reasonable wages to those employed, and to return to the mine-owners a reasonable profit on their capital. That case would have to be made out under this Bill before any action would be taken by the Court with a view to hampering or controlling their action under their agreement.

Mr. FOWLER.—Suppose a mine were over-capitalized?

Mr. WATSON.—I say that the Court should take that into consideration. If it were merely a paper capital, and the money had never really been put into the business, the Court would take that into consideration.

Mr. FOWLER.—Sometimes a mine is over-capitalized with golden sovereigns.

Mr. WATSON.—It is sometimes. One cannot attempt to follow all the ramifications possible in business in arranging the form this Bill should take. All we can do is to invest some tribunal with power to investigate these cases, and decide on their merits whether combinations are, or are not, to the detriment of the public. That is all we can do, and that, as I understand the measure, is all that this Bill sets out to do. It is true that it does say that the mere fact that a combination is a commer-

cial trust is to be *prima facie* evidence that it is detrimental to the public.

Mr. ISAACS.—Not on the question of the restraint of trade, but only in relation to the question of unfair competition.

Mr. WATSON.—I should have no objection if it were considered *prima facie* evidence as applied all round. If certain men enter into an agreement, they are surely in a position to justify it—to prove that it is necessary to the conduct of their business on reasonably profitable lines. Assuming, as I do, that that is the object of the Bill, and that it reasonably carries it out, I have heard no reason why we should object to the form it now takes.

Mr. JOSEPH COOK (Parramatta) [5.10].—The information which is coming out as we discuss the details of this measure begins to throw some light upon its scope as a whole. What the honorable member for Bland calls a simple investigation means that these vends may be indicted because they are vends. They may be brought to the Court simply because they exist as vends. The Judge and jury are to investigate the whole of their proceedings, including the construction of the companies, the question whether their capital is legitimate or watered, and whether there is too much or too little of it. And the result of that investigation will be to determine the price of the product, and, consequently, the rate of wages to be paid in the industry.

Mr. WATSON.—Does the honorable member object to that?

Mr. JOSEPH COOK.—That simply seems to me to be duplicating the machinery of the Arbitration Court.

Mr. WATSON.—It is quite a different question.

Mr. JOSEPH COOK.—I cannot see the slightest difference.

Mr. WATSON.—The Arbitration Court fixes a minimum rate, but this Bill does not purport to do anything of the kind.

Mr. JOSEPH COOK.—This Bill goes further than does the Arbitration Act. That is the difference.

Mr. WATSON.—It may go a very great deal further.

Mr. JOSEPH COOK.—The Arbitration Court does not fix the selling price of an article, it only regulates the rate of remuneration after the selling has taken place.

Mr. WATSON.—This Bill does not fix it either.

Mr. JOSEPH COOK.—This Bill goes further, and empowers the Court to regulate the selling price.

Mr. WATSON.—No, it does not. The Court under this Bill may say that the selling price fixed is too high, but it will not say what shall be the selling price.

Mr. JOSEPH COOK.—Unfair competition may be the competition of those selling at too low a price. An article may be sold by a combination at so low a price that some other person who cannot afford to sell it so low must go out of the business. A complaint is made, an investigation takes place, and the Judge may say, "You must carry on your operations only in such a manner as to allow this man to make a reasonable profit, and you must therefore charge a certain price." It seems to me that, having regard to their natural advantages, the amount of capital invested, distance from the market, and other things, what would be equitable as between the various competitors would in itself be detrimental to the public.

Mr. WATSON.—Not necessarily.

Mr. JOSEPH COOK.—And would operate in restraint of trade.

Mr. WATSON.—It would operate in restraint of trade, but would not necessarily be detrimental to the public.

Mr. JOSEPH COOK.—I hold that the coal vends in Newcastle have always carried on their business in a reasonable and legitimate way. Going back for twenty years, I cannot recollect that they ever put the price of coal up to an excessive figure.

Mr. WATKINS.—Because they could never get it.

Mr. JOSEPH COOK.—That is so, they could never get it.

Mr. WATSON.—Would any jury find against them on present facts?

Mr. JOSEPH COOK.—I do not know; I have no idea.

Mr. WATSON.—Does the honorable member think so?

Mr. JOSEPH COOK.—I know that the conditions of the industry are so unequal that one would never know what the decision might be.

Mr. DUGALD THOMSON.—It would depend on what State the jury came from.

Mr. WATSON.—That is not the Federal spirit.

Mr. JOSEPH COOK.—The whole Bill seems to me to duplicate the machinery of the Arbitration Court, except that the machinery is extended a little. Why a vend

which is carrying on operations in a reasonable way, and securing fair prices to the industry, fair remuneration to the employes, and fair rates to the consumer, should be indicted at all, except for good cause shown, it is difficult to understand.

Mr. WATSON.—There would be cause shown, would there not?

Mr. JOSEPH COOK.—No; the fact that there was a commercial trust would be sufficient.

Mr. WATSON.—Some person must take action.

Mr. JOSEPH COOK.—All that has to be said is that there is a commercial trust, and then its affairs must be investigated.

Mr. HUTCHISON.—Does the honorable member think that the Attorney-General would act without some reason?

Mr. JOSEPH COOK.—The Attorney-General must act if the trust is brought under his notice, because the Bill directs him to do so.

Mr. HUTCHISON.—Not unless the Attorney-General is satisfied there is some reason for proceeding.

Mr. JOSEPH COOK.—Under clause 11 the Attorney-General may take action without waiting for the trust to be brought under his notice.

Mr. WEBSTER.—Surely the Attorney-General would require some evidence beyond a mere assertion?

Mr. JOSEPH COOK.—What I have said is precisely what the Bill directs; a commercial trust must be indicted as a trust.

Mr. WATSON.—No; the Bill says nothing of the sort.

Mr. JOSEPH COOK.—That is my reading of the Bill. I venture to say that a competitor would at any moment jump at the chance of uncovering all a rival's operations by having inquiries made into the composition of his capital and the relations of his trade generally. Many trading operations are successful simply because of the knowledge gained as the result of long years of experience as to the best time and way of placing a product, and of all the thousand and one things which make up the difference between success and failure in trade. Are those matters to be open to public investigation before a jury, simply because they happen to exist under a combination of this kind? But what I desire to emphasize more particularly is the fact that this agreement—limited as its operations are, and confined to almost a

single matter, namely, the fixing of the price of the product—is to be regarded as constituting a trust which must be indicted as such, the operations of which are to be subject to close and keen scrutiny and investigation, and as to which a Judge may say what price is to be paid for the product, and what wages are to govern the industry. I say that that is not repressing trusts; that is running their business; and therein lies the distinction. If we are to run businesses for people in order to repress trusts, it seems to me that the time for nationalization has pretty well come. People will not themselves take the responsibility when a Judge and jury may determine the conditions of their business—determine what price shall be paid for the product, and what wages shall be paid. When we reach that point we are not far off the wisdom and logic of the nationalization of industries.

Mr. WATSON.—I thought the honorable member was in favour of regulating trusts?

Mr. JOSEPH COOK.—I am.

Mr. WATSON.—How does the honorable member propose to regulate trusts, seeing that he is against every proposal to that end?

Mr. JOSEPH COOK.—I am not in favour of tinkering and interfering unnecessarily with industries such as I am speaking of, because I do not regard them as destructive monopolies or trusts. These combinations are in existence, and the prime effect of them is to prevent sweating and unfair competition.

Mr. WATSON.—There will be nothing done to them while that is so.

Mr. JOSEPH COOK.—And yet because these combinations are in existence for a legitimate purpose, and doing this work, and no other, they are to be haled up and have all their affairs investigated.

Mr. WATSON.—How can we regulate trusts, or find out whether they are doing the proper thing, without haling them up?

Mr. JOSEPH COOK.—Is every honest individual in the community to be haled up in order that there may be an investigation as to whether he is a thief? Is that the doctrine of the honorable member?

Mr. WATSON.—The honorable member admits that this vend is a trust or agreement in restraint of trade.

Mr. JOSEPH COOK.—The honorable member for Bland is advancing the same theory that he lays down under the Immigration Restriction Act, namely, that every

man who makes an agreement in London shall first of all lodge it in an office, and have it investigated and approved by the Minister at this end before he is allowed to land.

Mr. WATSON.—Is the honorable member prepared to allow people into Australia under contract without limitation?

Mr. JOSEPH COOK.—No; I would attach a penalty to wrong-doing, and that is quite sufficient.

Mr. WATSON.—How can we ascertain wrong-doing?

Mr. JOSEPH COOK.—How is it ascertained generally?

Mr. WATSON.—By investigation; and that is what the honorable member is objecting to.

The CHAIRMAN.—I must remind honorable members that we are in Committee, and that they can speak just as often as they think proper; but with the continued interruptions we can hardly understand what the honorable member for Parramatta is arguing.

Mr. JOSEPH COOK.—According to the logic of the honorable member for Bland, the police ought to bail him up when he leaves his place, and ascertain whether he is a thief or vagabond.

Mr. FRAZER.—The police have power to do so.

Mr. JOSEPH COOK.—I am aware of that: and the honorable member for Bland would have his remedy afterwards.

Mr. FRAZER.—Quite so.

Mr. JOSEPH COOK.—But there is no remedy under the Bill.

Mr. WATSON.—There is no remedy against the Crown in any case.

Mr. JOSEPH COOK.—There is no remedy in this case. After the agreement has been investigated in Court, no matter what the consequences may be, there is no remedy.

Mr. FRAZER.—But the Crown has to prove the guilt.

Mr. JOSEPH COOK.—This is not a matter of proving guilt; it is a matter of haling the business of a trade, or company, or combine, before the Court, and no matter how legitimate the operations may be, there must be investigation in the light of day. I take it that an investigation of the kind could not be carried on without the chance of the trade ramifications and secrets becoming public knowledge, and of that knowledge being made available to trade rivals, who may have

set the machinery of the law into operation. If the detriment of the public is obviously to be looked to, and there is anything wrong going on, then by all means indict the trust, indict the agreement, and indict the company.

Mr. WEBSTER.—How can we, in the first place, find out whether there is or is not wrong?

Mr. JOSEPH COOK. — The public generally know when they are paying more than a fair price for an article.

Mr. WEBSTER.—Some one besides the public must decide the question under the Bill.

Mr. JOSEPH COOK.—I know that, and it is time to take action when the public begin to cry out.

Mr. WEBSTER.—That is all that will be done under the Bill.

Mr. JOSEPH COOK.—No.

Sir WILLIAM LYNE.—I intend to move an amendment in that clause when we arrive at it.

Mr. JOSEPH COOK.—I am very glad to hear that from the Minister, and, under the circumstances, I have nothing more to say.

Sir WILLIAM LYNE (Hume—Minister of Trade and Customs) [5.25]. — I know something of the question on which the discussion seems to be concentrated, namely, the vend in relation to the production of coal at Newcastle. Under proper circumstances, I do not think that the vend would come within the scope of the Bill.

Mr. JOHNSON. — The Attorney-General says that it would.

Sir WILLIAM LYNE.—I think that the Attorney-General said that it would not. So long as I remember, coal has been sold at Newcastle at a lower price than, perhaps, has coal of the same class in any part of the world. The miners are paid according to the price obtained for the coal; so that, when the price is very low, wages are very low. On one occasion there was a threatened strike, and I was called in to arbitrate between the employers and the miners. The question to be decided was that of the vend, some employers having broken away from the vend, and enabled coal to be sold at 8s. per ton or less.

Mr. WATSON.—Much lower than that.

Mr. WATKINS.—It has been sold at a less price than that recently.

Mr. JOSEPH COOK.—I have known the coal sold at 3s. 10d. in Lithgow.

Sir WILLIAM LYNE.—At the time of the threatened strike, if I remember rightly, the price was about 8s. I shall not mention names; but this was done by one set of owners. By acting as arbitrator, I was given an insight into the methods of the vend, which, since, has been useful in many ways. Coal was then selling at too low a price, and the men were getting too low a wage; and the object of the vend was not to make the price excessive, but to make it fair. As mentioned by the Attorney-General this evening, when speaking of the American law, if the price be a fair one the combination does not come within the scope of the Bill.

Mr. KELLY.—Who is to decide whether the price be fair or excessive?

Sir WILLIAM LYNE.—A jury.

Mr. KELLY.—Exactly.

Mr. DUGALD THOMSON.—Action can be taken by any one.

Sir WILLIAM LYNE.—I am coming to that point. As honorable members may remember, I, on two occasions, tried to pass an Inter-State Commission Bill. One of the main reasons for that Bill was to deal with the shipping ring, which makes the price of coal so high in the southern States.

Mr. DUGALD THOMSON.—Coal is cheaper in Victoria than in New South Wales.

Mr. WATKINS.—Just now it is.

Sir WILLIAM LYNE.—At the time of which I am speaking, the price of Newcastle coal in Victoria was as high as 32s., although it was delivered on board at 8s. per ton. The effect of the Bill will be, not to increase, but to decrease the price of the coal to the general public, because the provisions will affect the shipping combine. The result of the measure will be a reduction of freights, and it is that of which the shipping combine is afraid. The effect of the Bill on the vend will be to afford employers a fair price, while giving the people of the southern States a cheaper rate for the coal.

Mr. JOSEPH COOK.—That will not affect the oversea trade.

Sir WILLIAM LYNE. — I am only speaking so far as Australia is concerned. We are not considering Japan or other countries; we consider only how it will affect the people of Australia. I am endeavouring to show that the effect of the Bill, so far as it concerns the vend, miners' wages, and the shipping combine, will be to reduce the price of coal in the southern States, and therefore it must be for good.

I have felt all through—and I have had one or two conversations with the Attorney-General on the point—that clause 11 leaves a loophole for speculative actions, and, perhaps, for black-mailing. When we reach that clause I shall, as I have intended to do, suggest that action shall not be taken without the concurrence of some person, who, I think, ought to be the Attorney-General. At any rate, there should be some person to say whether there is reasonable justification for bringing an action, so as to avoid exposure to speculative proceedings or black-mailing.

Mr. KELLY.—Why not have a penalty for failure to show justification?

Sir WILLIAM LYNE. — I am now merely intimating to the Committee what I intend to do, and I hope honorable members will consider the suggestion. I shall confer with the Attorney-General, and be ready at the proper time to propose that some person—who, in my opinion, ought to be the Attorney-General—shall be empowered to say whether there is good cause for action. If the clause were left as it is, I feel sure that it would give rise to a good deal of trouble at the hands of two sections of the public—the speculative section and the black-mailing section — and might do much injury to persons against whom no proceedings ought to be taken.

Mr. HUTCHISON (Hindmarsh) [5.30]. The honorable member for Parramatta would have us believe that so soon as the measure becomes law all combinations declared to be trusts will be brought before the Courts; but I do not think that anything of the kind will happen. My fear is that the Attorney-General or other persons required to take action will need too much persuasion, even when a real injury is being done to the public. I should be opposed to rushing every one to the Courts where that was unnecessary, and am glad that the Minister of Trade and Customs intends to amend clause 11, because, as I pointed out when speaking on the motion for the second reading, as it stands at present it offers an inducement to persons to go to law in the hope that they will recover treble damages. Those who are opposed to the Bill should suggest amendments to get rid of the difficulties which they are trying to create. If they can show that the Bill will operate injuriously to persons in business who are not acting to the detriment of the public, I will support them; but stronger argu-

ments than I have yet heard will be necessary to move me.

Mr. JOHNSON (Lang) [5.33].—I am glad that the Minister of Trade and Customs proposes to amend clause 11, because, as it stands, it is likely to be brought into operation by interested persons for the mere purpose of harassment and persecution of rivals in trade. I understand the Attorney-General to admit that the vends to which reference has been made would come under the definition of commercial trusts.

Mr. ISAACS.—The honorable member must not forget that it is one thing for a vend to come within the definition of a commercial trust, and another thing for any agreement that it may make to come within the scope of the measure.

Mr. JOHNSON.—I take it that the fact that they are combinations in relation to trade and industry having a certain purpose will bring them within the definition of a trust, although the effect of their agreements may not be detrimental to the public, and may have for their object the prevention of sweating, and the payment of fair rates of wages.

Mr. ISAACS.—The vends may come within the definition of trusts, but their agreements, if as stated, would not be obnoxious to the measure.

Mr. JOHNSON.—Would it not be better to omit paragraph *b*, relating to agreements?

Mr. ISAACS.—That paragraph relates, not to the agreements made by combinations, but to the agreements by which they are constituted.

Mr. JOHNSON.—The honorable and learned member for Angas has pointed out that the term "commercial trust" is not clearly defined in this clause. It is said to "include" certain things.

Mr. DUGALD THOMSON.—There is a drag-net interpretation.

Mr. JOHNSON.—Yes. There seems to be no actual definition at all. The term "commercial trust" is said to include certain things.

Mr. ISAACS.—There is no other such combination conceivable.

Sir WILLIAM LYNE.—Let the honorable member put a case. If there is any other, it should be included.

Mr. JOHNSON.—I dare say that I could put a case, if I set myself to do so. At any rate, I can conceive the possibility of a commercial trust including

other combinations than those set forth here. But if the Minister contends that no other combination can exist than those referred to as being "included" in this clause, then his contention simply clinches my argument in favour of substituting the word "means" for the word "includes." If "commercial trust" is a term meaning only the combinations specified here, the word "means" should be substituted for the word "includes," and I therefore move—

That the word "includes," line 3, be left out, with a view to insert in lieu thereof the word "means."

Mr. FULLER (Illawarra) [5.40].—When speaking on the motion for the second reading, I referred to the coal vends which have been mentioned so often this afternoon, and to another commercial arrangement which, it seems to me, would come within the definition of a commercial trust. Some years ago—it may still be in existence—a Board, representing the dairying industry of New South Wales, of whom the honorable member for Cowper was once a member, used to meet from time to time to regulate the price of dairy produce. Before the Board was created, prices in the industry were very low, but the operations of the Board enabled producers to obtain a fair return for their enterprise without requiring the public to pay unreasonably for the produce which they consumed. But it appears to me that the Board I speak of would come within the definition of a "commercial trust."

Mr. ISAACS.—Even if it did, what harm would be done?

Mr. FULLER.—If it did, it would be liable to be proceeded against at the instance of the Attorney-General, under clause 10, or of any busy-body who imagined that he might be injured, under clause 11.

Mr. ISAACS.—Only if it did something wrong. A trust, in that respect, will be in a position not differing from that of an individual.

Mr. FULLER.—The Minister of Trade and Customs has indicated his intention to amend clause 11 so that proceedings shall not be taken under it except at the instance of a responsible person, and suggested the Attorney-General.

Mr. ISAACS.—The Minister indicated that he intends that practically neither civil nor criminal proceedings shall take

place without the consent of the Attorney-General.

Mr. FULLER.—On what grounds would the Attorney-General interfere? Would he act merely on the statement of some informant, or would he constitute himself a Court, and make full inquiries before initiating proceedings?

Mr. ISAACS.—It is an every-day occurrence for an Attorney-General to be asked to lend his name to the initiation of proceedings. There are many Acts under which his consent to proceed is required.

Mr. FULLER.—I am aware that that is so. My object in rising is to call attention to the position of certain combinations in regard to this Bill.

Mr. LEE (Cowper) [5.45].—In my opinion, the coal vends to which reference has been made come within the definition of a commercial trust, because, not only do they regulate prices, but they also deal with the output of the mines. The vend also makes arrangements under which each colliery is permitted to ship only a certain quantity of coal. An arrangement of that kind would certainly come within the definition of a commercial trust. I can remember the time when certain mine-owners who were outside of the vend were actually giving higher wages than those paid by the parties to the vend, and at the same time selling their coal cheaper.

Mr. WATKINS.—When was that? I never knew of it.

Mr. LEE.—Nine years ago.

Mr. WATKINS.—There was no combination among the mine-owners then—there was no agreement in force at Newcastle for years.

Mr. LEE.—There was a tacit understanding among certain coal mine-owners to keep up the price of coal, and, at the same time, not to pay any more than a certain rate of wages. It seems to me that any body of men who regulate not only the price of a particular commodity, but also the output, must be regarded as a commercial trust. I do not think that the provisions of the Bill would apply to the board which fixes the price of butter in New South Wales. That board merely regulates the price of butter according to supply and demand. They sell the butter at a price which will enable them to retain the local market, and, at the same time, to obtain the last farthing from the consumer. All that is regulated by the law of supply

and demand. There are, of course, persons who do not work under the control of the board, and who are always fighting against its determinations. Sometimes they declare that the price shall not be raised above a certain figure. If they prove to be right the board has to come down to the outside quotations. I do not think that such a board could be brought within the scope of the Bill, because long before any grievance could be dealt with the cause would have probably ceased to exist.

Mr. McCOLL (Echuca) [5.50].—I disagree with the honorable member for Cowper. I think that a combination such as he has indicated in connexion with the butter trade would come within the scope of the Bill. From time to time we have had combinations among tillers of the soil, who have been compelled to form trusts in order to secure a remunerative return for their labour. For instance, there is the Mildura trust, which fixes the prices at which the products of that irrigation colony shall be sold. Mildura is the only place at which certain products are grown to any great extent, and the trust practically commands the whole trade of Australia in those commodities. Every year they fix the prices, but they know that if they do not sell their goods at a reasonable figure, they will be swamped by the introduction of Californian fruits, which can be produced at a very much lower cost. Frequently, when the harvest has been bountiful, the price of wheat has fallen to as low as 1s. 6d. or 1s. 9d. per bushel. We know that it is impossible for agriculturists to make wheat-growing pay if wheat realizes much less than 3s. per bushel, and it is quite possible that there may be a combination among the wheat-growers with the idea of pooling their produce, and declining to sell it for less than a certain price. I should like to know whether such an organization would come within the scope of the Bill? In the United States it is customary for the farmers in some districts to place the whole of their produce in the hands of one firm or company for sale at a uniform price. I am very strongly opposed to any restrictions of the character contemplated by the Bill being placed upon the tillers of the soil. They have sufficient troubles to cope with, and should be left free to manage their own business in their own way. I should like to hear the opinion of the Attorney-General as to the two cases I have mentioned.

Mr. ISAACS (Indi—Attorney-General) [5.52].—If a combination of farmers or of any other class of the community agreed that they would not decide prices for themselves, but would leave it to the Board or trust—if they willingly surrendered their free choice and personal judgment, and agreed to be controlled by the majority—they would come within the definition of a commercial trust. It would not follow, however, that the determination to hold their produce for a certain price would bring them within the scope of the Bill. Although they might be a commercial trust within the definition contained in the Bill, a mere agreement that during a certain season they would not sell their produce for less than a certain price would not make them amenable to the law. If such a combination did fall within the definition of commercial trust, the question would arise whether the price they had resolved to ask for was a fair one—fairly remunerative to them. If the price fixed upon were fair, there would be no harm in such a combination, and the agreement would not come within the scope of the Bill. If a combination were entered into with the object of fleecing the public—and it is not likely that any combination of farmers would have such an aim—it would come within the scope of the Bill. There is no reason why farmers or any other section of the community should be permitted to work harm to the general public. Every one will have to be placed in the same position in that regard.

Mr. LEE.—If a number of commission agents engaged in the sale of wheat met once a week to fix the selling price, would they render themselves amenable to the law?

Mr. ISAACS.—The question of restraint of trade might be involved in such a case. I should like the honorable member for Echuca to understand this. The definition of "commercial trust" would not in the slightest degree affect the cases that he has put forward. If the definition now in the Bill were excised, the question would still arise under clause 4, as to whether the agreement was in restraint of trade to the detriment of the public. That question would arise whether certain action was taken by a commercial trust or by individuals. When we come to consider the question of restraint of trade, private individuals, as well as corporations, may be brought within the scope of the Bill, irrespective of whether they are acting

separately or in combination. The only case in which the question of a commercial trust enters into consideration is when it is desired to make out a *prima facie* case of unfair competition. In the cases mentioned by the honorable member for Echuca the question of unfair competition would not arise. It would be a question of restraint of trade to the detriment of the public.

Mr. DUGALD THOMSON.—Would there not be a monopoly for the purpose of keeping up prices?

Mr. ISAACS.—Possibly, but that question would have to be dealt with, irrespective of the definition of a commercial trust. The provisions with regard to restraint of trade and monopoly apply equally to separate individuals or members of a trust or other combination.

Mr. MCWILLIAMS (Franklin) [5.56].—The more this question is debated, the more clear it becomes that the provision is not nearly so simple as was indicated by the Minister. There can be no question that in view of the very facts that have been put forward by the honorable member for Newcastle, a coal vend would come within the definition of a commercial trust in the same way as would any of the large American trusts. I do not mean to say that the owners of the Newcastle mines have attempted to exploit the public to the same extent as have the trusts in America, but the reasons for their combination are exactly the same as those which have led to the creation of the trusts in America. One question which will always receive a large amount of consideration in dealing with these matters will be the wages paid to the employés. It is well known that Rockefeller is the best employer in America, and that the strength of the Standard Oil Company is due to the good wages and the liberal terms that it gives to its employés. It is desirable that the coal mining at Newcastle shall be carried on under such conditions as to insure the payment of good wages to the miners, but we must look first to the interests of the consumers of coal. If it could be proved that there was a combination of coal-owners with the object of unduly raising the price of coal, the trust or organization should be brought within the operation of the Bill. Nothing would bear more harshly upon the poorer classes than an undue inflation of the price of coal. We know that some extraordinary tricks have been played—whether by the coal-owners or the shipping companies I

cannot say—in regard to the sale of coal. Some little time ago coal was being sold in Melbourne at 17s. 6d. per ton, whilst £1 per ton was being asked in Sydney for the same class of fuel.

Mr. WATKINS.—The coal-owners do not sell direct to the public.

Mr. MCWILLIAMS. — I stated that I did not know whether the anomaly was due to the action of the mine-owners or of the shipping ring. In Tasmania we can buy coal—Newcastle coal—as cheaply as it can be purchased in Sydney.

Mr. WATKINS. — The shippers always command the trade.

Mr. MCWILLIAMS. — I do not know who is responsible for it; but certainly, in dealing with monopolies, our first consideration must be the protection of the general public. Whilst we are willing that the coal-owner should derive a fair profit, and that the coal miners should receive fair play—for, God knows, any man who works in a coal mine deserves to be well paid—we must see that the poorer classes, and also our manufacturers, are protected against an undue inflation of prices. Personally, I am of opinion that to a great extent these matters have righted themselves in Australia. But under this Bill, with the amendments which the Minister has circulated, we are about to take the whole of the coal trade out of the hands of the colliery proprietors, the miners, and the consumers, and to place it in the hands of a board. I do think that the operation of the measure ought to be limited to destructive monopolies. Where a combine is not exercising an injurious effect, either upon Australian trade, the Australian producer, or the Australian consumer, we might very well let it alone; but where such combinations are detrimental to the public welfare, we should treat all of them alike. I have always held that a trust is a trust, irrespective of whether it is of a local or foreign character. A monopoly can be just as injurious within our own borders as it can be without them. I am not prepared to grant to a coal combination in Newcastle any more immunity from responsibility than I am to any other monopoly.

Mr. ROBINSON (Wannon) [6.3].—Concerning the point which has been raised by the honorable member for Echuca as to whether, under this Bill, certain combinations in country districts would constitute commercial trusts, I feel bound to

say, upon consideration, that they would. There is one particular body to which reference has been made, and which is known as the Raisin Trust. It comprises a number of persons who produce raisins. If these individuals sold their produce in the ordinary way they would get for it merely its export price. They can secure a good price for it only by forming what is practically a trust, and thus securing the full benefit of the duty of 2d. per lb. which is levied upon raisins.

Sir WILLIAM LYNE.—They do that without inflicting any injury upon the public.

Mr. ROBINSON.—That is a matter of opinion. Upon this portion of the Bill I have no desire to discuss the question of free-trade *versus* protection. The manufacturers who have had to pay the duty of 2d. per lb. may regard that impost as a hardship. Whether the action of the Raisin Trust is to the detriment of the public, would, it seems to me, largely depend upon the view entertained by the particular jury which heard the case.

Mr. ISAACS.—The case to which the honorable and learned member is referring would have to be decided just the same, irrespective of whether or not the members of that body constituted a commercial trust.

Mr. ROBINSON.—I am inclined to think that, whether we agree to this definition or not, the combination amongst the raisin producers would still be liable to attack under Part II. of the measure. In America I believe that combinations amongst farmers in a number of States are exempted from the operation of laws which have been enacted to prevent the formation of organizations in restraint of trade. It is felt that their calling is so subject to weather influences, and to disabilities which other industries are not required to face, that this distinction has been made.

Mr. ISAACS.—To which State is the honorable and learned member referring?

Mr. ROBINSON.—I believe that the farmers in Texas are exempt from the legislation which I have mentioned. But I am speaking from memory.

Mr. JOSEPH COOK.—That is to say, the farmers are exempt from the operation of the Act?

Mr. ROBINSON.—In some of the States, the farmers are exempt from the penalties attaching to combinations in restraint of trade such as are aimed at by

Part II. of the Bill. I trust that the honorable member for Echuca will pursue this matter still further, because it is one which is worthy of very grave consideration. I am inclined to think, with the Attorney-General, that if it is to be dealt with at all, it must be dealt with by a subsequent clause in Part II. of the measure, and cannot be affected by this definition.

Mr. LEE (Cowper) [6.6].—After the explanation of the Attorney-General, I am satisfied that the agents and the representatives of certain local companies who meet every year for the purpose of fixing the selling values of the commodities in which they are interested, would be affected by this clause, because their actions would be "in restraint of trade." But the honorable member for Echuca has brought forward another matter of very serious moment, so far as the producers are concerned. It is well known that in the spring of each year, conferences are held in Sydney, at which large co-operative companies and butter factories are represented. These gatherings fix the selling price of butter. Last year they fixed it at 10½d. per lb., which proved a trifle too high, because that price was not realized. Under the Bill in its present form, these men could be proceeded against.

Mr. ISAACS.—What for?

Mr. LEE.—For charging a price for their commodity which they were not warranted in charging.

Mr. DUGALD THOMSON.—They certainly form a "combination."

Mr. LEE.—Undoubtedly. Thus, instead of the persons who are directly interested in the industry fixing the value of their commodity themselves, under this Bill they will be compelled to allow speculators to determine it for them.

Mr. ISAACS.—Does the honorable member say that of all business?

Mr. LEE.—The Attorney-General's explanation was that the representatives of co-operative companies and of butter factories could not meet for the purpose of fixing values.

Mr. ISAACS.—The honorable member misunderstood me. I said that it would be necessary to prove that their act was illegal.

Mr. LEE.—They would be liable to be brought before the Court if they decided to charge higher values than they were warranted in fixing.

Mr. ISAACS.—The honorable member has not grasped what the honorable and learned member for Wannon said just now. In the case that he is supposing, it does not matter whether the gentlemen to whom he refers constitute a commercial trust or not. There is no onus of proof in the matter at all. The only question at issue is as to whether what they have done is illegal.

Mr. LEE.—Of course, it would be difficult to prove that it was illegal.

Mr. ISAACS.—The question of whether they constitute a commercial trust is absolutely immaterial.

Mr. LEE.—The Attorney-General stated that the fact of them meeting together for the purpose of fixing values would bring them under the definition of a "commercial trust."

Mr. HUTCHISON (Hindmarsh) [6.10].—I am surprised to hear the arguments advanced by some honorable members. The Bill is intended to deal with those who commit offences, and with nobody else. Yet we have honorable members appealing to us to exempt from its operation a certain section of the community, and to allow them to work any injury to the public that they choose. It seems to be a popular thing to stand up in this House and demand everything for the farmer. I am just as much a friend of the farmer as is any honorable member in this Chamber, but if there is one principle more than another which characterizes our Constitution, it is that there shall be no discrimination as between class and class. Certainly, when it comes to a matter of right or wrong, I am not going to punish some persons for committing an injury whilst allowing others to escape. For that reason, I do hope that we shall hear no more of the specious reasoning which has been indulged in by some honorable members.

Mr. McCOLL (Echuca) [6.11].—When the Arbitration Bill was under consideration, I think that the honorable member for Hindmarsh was one of the strongest supporters of the proposal to extend a preference to unionists. If that was not a preference to individuals I do not know what it was. It has always been recognised that in legislation of this character the tillers of the soil should be treated somewhat differently from other classes. The main object of the Bill is to protect town industries. When the Arbitration Bill was under discussion, the Attorney-General recognised the truth of my contention, and deliberately exempted from its

operation certain sections of the community. Consequently it is too late in the day to urge that persons engaged in these special occupations should not be exempted from the provisions of this measure. I have always set my face against imposing any unnecessary restrictions upon the tillers of the soil, and I shall endeavour to give effect to that principle in connexion with this Bill. At a later stage I intend to move to insert in paragraph *d* of clause 3, after the word "trust," the words "but does not include a combination of persons engaged in agricultural, horticultural, and viticultural pursuits in relation to those industries."

Sir WILLIAM LYNE.—That is an electioneering dodge.

The CHAIRMAN.—The Minister of Trade and Customs must not impute motives.

Mr. JOSEPH COOK (Parramatta) [6.14].—I think that the statement of the Minister is an unworthy one.

The CHAIRMAN.—I have already called the honorable gentleman to order by telling him that he must not impute motives to honorable members.

Mr. JOSEPH COOK.—I was not imputing motives.

The CHAIRMAN.—I did not say that the honorable member was imputing motives. I said that the Minister must not impute motives.

Mr. JOSEPH COOK.—I was expressing the opinion that the Minister had made an unworthy remark.

The CHAIRMAN.—I have already reminded the Minister that he must not impute motives to other honorable members, and I cannot allow the honorable member for Parramatta to pursue the same line of conduct.

Mr. JOSEPH COOK.—I do not exactly know the definition of the term "imputing motives." I do not know that there is anything wrong in the remark that a Bill has been introduced merely for electioneering purposes. Surely, sir, you do not rule that such a statement is out of order?

The CHAIRMAN.—If the honorable member says that the Bill has been introduced merely for electioneering purposes he is distinctly out of order.

Sir WILLIAM LYNE.—The honorable member should give it up.

Mr. JOSEPH COOK.—With great respect to you, sir, that is rather a peculiar

ruling, and means that one cannot discuss any matter in relation to an election. One of my complaints against the Bill is that it would not have been heard of just now but for the approaching election. The whole purpose of its introduction is that it may be taken before the electors and made political use of.

Sir WILLIAM LYNE.—That is not right; the honorable member should not say that.

Mr. JOSEPH COOK.—I do not suggest that it would be made use of illegitimately. I only impute ordinary political motives.

The CHAIRMAN.—Had the honorable member taken that course in the House, he might have been in order to a limited extent; but we are now engaged in discussing the interpretation clause of the Bill, and if he insists upon pursuing that line of argument he will be out of order.

Mr. JOSEPH COOK.—Since you, sir, put the matter in that way, I have no more to say. It is, I think, a very proper observation to be addressed to me. If there is one section of the community more than another which ought to be exempted from the operation of the Bill, it is those who are engaged in primary industries. Just as they were exempted from the provisions of the union label and the Arbitration Court, so I think they ought to be exempted from the provisions of a Bill which is intended to suppress trusts. How can there be an injurious trust existing in connexion with an industry which embraces the whole Continent within the scope of its operations, and has to find a market in the four quarters of the world?

Mr. MAUGER.—How could the Bill hurt it?

Mr. JOSEPH COOK.—It might hurt it. What the honorable member is really suggesting is that the Bill is an absurdity in attempting to meet such a condition of affairs as that.

Sir WILLIAM LYNE.—I understand, sir, that there is an amendment before the Chair, and that it does not bring in the question raised by the honorable member for Echuca. The debate has been taking a wide range, and I hope that we shall dispose of one amendment at a time.

The CHAIRMAN.—The clause before the Committee deals with the interpretation of "commercial trust," and admits of a very wide range of discussion. There are so many ramifications in connexion with the meaning of the term that it is almost impossible to confine honorable members within the ordinary rule.

Sir WILLIAM LYNE.—But there is an amendment before the Committee.

The CHAIRMAN.—The amendment before the Committee is to omit the word "includes," with a view to insert the word "means."

Mr. JOSEPH COOK.—All the observations which have been addressed to the Committee for the last half-hour have been made with a view to show that the term "commercial trust" should not include simple combinations, such as indicated by the honorable member for Echuca.

Mr. ISAACS.—It should not include a corner in wheat or oats?

Mr. JOSEPH COOK.—The Attorney-General is, I am afraid, talking of something else rather than production.

Mr. ISAACS.—That is the legitimate meaning of it.

Mr. JOSEPH COOK.—The honorable and learned gentleman is talking of a manipulation which takes place in the city; whereas we are talking of rural industries, whose operations are confined in a *bond fide* way to the production of primary products. They ought to be exempt from the operation of the Bill.

Mr. ISAACS.—It does not touch any one who does not do an injury to the public.

Mr. JOSEPH COOK.—It touches anybody and everybody for the purpose of investigation, of dragging them before the Court and jury, and compelling them, at great expense, to defend themselves. It is all very well for the Attorney-General to say that the Bill will not attach any penalties to persons, except they have done some injury. That is quite true; but the fact that they have to go before the Court in the first place means great expense to them.

Mr. ISAACS.—But the Minister has indicated that he intends to put in a provision that nothing can be done without the consent of the Attorney-General.

Mr. JOSEPH COOK.—I should like to know why we should pass any legislation ordering the Attorney-General.

Sir WILLIAM LYNE.—So do I.

Mr. JOSEPH COOK.—Will the honorable and learned gentleman, if he can, frame a provision exempting primary producers from the operations of the Bill?

Mr. ISAACS.—As Attorney-General, I would be very pleased, at the request of any honorable members on the other side, to put in legal phraseology what they wish to move, although, of course, I might not

support their amendment. I am quite willing to help any honorable member with regard to the phraseology of an amendment.

Mr. JOSEPH COOK.—The honorable and learned gentleman might support the amendment.

Mr. ISAACS.—No, because as I say, this Bill is for the protection of the public against any one who tries to injure them by this means, and I would not make an exception in favour of any particular class.

Mr. JOSEPH COOK.—I suppose that we shall have to be content with that, notwithstanding that the honorable and learned gentleman did make an exception of a particular class when the question of the union label was under consideration.

Mr. ISAACS.—Not for wrong-doing.

Mr. JOSEPH COOK.—The honorable and learned gentleman is being asked now to follow precedent.

Mr. ISAACS.—No; that was not for wrong-doing.

Mr. JOSEPH COOK.—It was for a simple commercial combination. It seems to me that they come into the same category.

Mr. ISAACS.—No.

Mr. JOSEPH COOK.—The honorable member for Hindmarsh says that the Bill is intended to prevent anybody from injuring the public. What is injury under the Bill? Really, the honorable member begs the whole question. If successful competition is taking place under the Bill, it is to be regarded *primâ facie* as injury. Even though a new machine should displace an old one, it is to be regarded *primâ facie* as an injury to a particular trade or calling. When the word "injury" is used in the provisions of the Bill, it does not mean an injury in the sense of personal loss or violence. It may mean successful competition and nothing more. For instance, superior skill, or a different machine, or the operation of a patent right, may *primâ facie* be interpreted by the Bill to mean injury, and as such they would be inquired into at great expense, and trouble, the publication of the internal affairs of a company's operations, and possibly the dislocation of their business. The term acquires a new meaning as it is used in the Bill. Therefore we have to look to the thing, which may be innocent and simple in itself, as expressed in the terms of the Bill, but which may lead to the dislocation of industries, and to the trouble of persons engaged therein. I cannot conceive of a

trust having any beneficial operation on the community which has to seek its markets all over the world, and as to which there is no possibility of an agreement in the sense of a trust such as is contemplated by the Bill. I think that the Attorney-General might leave these people to make their butter and cheese, and bring it to market, in the best way they can, knowing that their simple co-operative enterprise will not be under the surveillance of the State, and that they will be left unmolested unless it is quite clear to the Attorney-General that they are doing something which they ought not to do.

Mr. ISAACS.—That is all we propose.

Mr. JOSEPH COOK. — That is not what the Bill proposes. The fact that these persons are engaged in a co-operative way is a sufficient reason for the Attorney-General to step in and inquire into their operations.

Mr. ISAACS. — I assure the honorable member that he is quite wrong.

Mr. JOSEPH COOK.—The fact that they are sending their butter to market, and are able, by reason of their co-operative efforts, to dispose of it at $\frac{1}{2}$ d. per lb. less than do others, may be in itself a reason for the honorable and learned gentleman to make an elaborate legal inquiry.

Mr. ISAACS.—No. I assure the honorable member that he is not right. The honorable and learned member for Wannon has admitted, on a full consideration of the matter, that I was perfectly correct in that statement. If we were to strike out the definition of a "commercial trust" it would not affect the position of the farmer. He does not come under that definition.

Mr. JOSEPH COOK.—But the question of the agreement comes under the definition of a trust.

Mr. ISAACS.—It has nothing to do with restraint of trade.

Mr. JOSEPH COOK.—Restraint of trade is not the only consideration in this matter. We have also to think of unfair competition, or a combination designed to destroy or injure by means of unfair competition, any Australian industry.

Mr. ISAACS.—The case which the honorable member put does not fall within that. They are not unfairly competing with any Australian industry.

Mr. JOSEPH COOK.—I can conceive readily that they might. Does the Attorney-General say that it is not possible to

indict the Farmers' Co-operative Association under the provisions of the Bill?

Mr. ISAACS.—It is impossible to indict them simply because they are a commercial trust, and, as such, are selling their butter cheaply.

Mr. JOSEPH COOK.—Is it impossible to indict them under the Bill?

Mr. ISAACS.—If they do wrong, they are indictable whether they are a trust or not. There is no difference.

Mr. JOSEPH COOK.—There again the honorable and learned gentleman is begging the whole question. The simplest operation may be a reason for holding an elaborate legal inquiry. The term "injury" has quite a new meaning, as it is used here.

Mr. ISAACS.—It has nothing to do with this interpretation.

Mr. KELLY (Wentworth) [6.29].—With singular patience I have sat here waiting to hear a statement as to the Ministerial attitude to the amendment of the honorable member for Lang. Of course, the object of the proposal is obvious to every one, and that is to make the definition of "commercial trust" as concise as possible. If the Ministry are resisting the amendment—which I presume they are, because, otherwise, it would have been accepted long ago—is it for the reason that they wish the definition to be flexible enough to include any possible arrangement of a trust which would not be included thereunder?

Sir WILLIAM LYNE.—I have answered that question two or three times already.

Mr. KELLY.—I have been sitting here, but I did not hear the honorable gentleman's answer.

Sitting suspended from 6.30 to 7.30 p.m.

Mr. KELLY.—I think the Government might reasonably accept the amendment of the honorable member for Lang. We listened this afternoon to a very able exposition by the Attorney-General of the reasons for the exact wording adopted in this clause. The honorable and learned gentleman went into an historical survey of the trust question in America, and showed that the paragraphs of this clause were intended to meet every known form which, up to the present time, trusts have taken. Paragraphs *a*, *b*, and *c*, he explained, were special provisions enabling the Judge who would have to administer them to meet any further and novel phase of

trusts which the ingenuity of those comprising them might suggest. As these provisions are, in the mind of the Attorney-General, fitted to meet every possible phase the trust problem can present, we might reasonably make this an absolute definition clause instead of a mere inclusion clause. The honorable and learned gentleman having removed all doubt on that subject from our mind, the Government might very properly accept the amendment of the honorable member for Lang. With regard to the matter raised by the honorable member for Echuca, on further consideration, I think that the question of whether a combine of tillers of the soil is or is not a "commercial trust" under this Bill would not very much affect them. In clause 6 it is laid down that where there has been unfair competition, in which a commercial trust is alleged to be implicated, the onus of proof that it has not been guilty of such unfair competition shall rest upon the commercial trust. So far as mere restraints of trade are concerned, the question whether a combination of tillers of the soil form a commercial trust does not greatly affect them. There is another point which I think of moment, and to which I direct the attention of the Attorney-General. Without a doubt, under paragraph *b* of clause 4, a commercial trust is penalized if by unfair competition it injures any Australian industry.

Mr. ISAACS.—So is anybody else.

Mr. KELLY.—But my point is that a commercial trust is specially penalized in that the onus of proof that it has not been guilty of unfair competition rests upon it. That is the only offence for which a commercial trust is specially penalized.

Mr. ISAACS.—Unfair competition with some Australian industry.

Mr. KELLY.—Just so. The Attorney-General has, so far, met all the objections urged before the dinner hour in this regard by saying that it is extremely improbable that an Australian agricultural, horticultural, or viticultural industry can ever come into competition within the meaning of the clause. The point I wish to put is that it is quite possible for an Australian agricultural industry to come into such competition with another Australian industry. If we take, for instance, those engaged in the primary producing industries of South Australia, it will be admitted that obviously they compete for the Western Australian

market with those carrying on similar industries in that State.

Mr. JOHNSON.—Especially in the wine trade.

Mr. KELLY.—In a number of industries associated with ordinary agricultural products. If a number of South Australian farmers combined together to secure cheaper freights for the transport of their produce to Western Australia, they could be indicted under this Bill.

Mr. ISAACS.—Not for obtaining cheaper freights.

Mr. KELLY.—Would not that be unfair competition?

Mr. ISAACS.—Farmers do not carry goods, do they?

Mr. KELLY.—No, but they can combine to get cheaper freights.

Mr. ISAACS.—That would not bring them within this Bill.

Mr. KELLY.—I am not stating a definite opinion, because I am only a layman, who is trying hard to find out what would be the effect of this Bill. It seems to me that what I have suggested would bring those farmers under this Bill.

Mr. ISAACS.—No.

Mr. KELLY.—We may take it that a combination of any persons would make them a commercial trust.

Mr. ISAACS.—No; not in that bald way.

Mr. DUGALD THOMSON.—They would not need to be a "commercial trust" to come under the provisions dealing with injury to Australian industries.

Mr. KELLY.—The question is whether or not these persons would be affected by being included in a commercial trust, and so being penalized by having the onus of proof thrown upon them that they had not been guilty of unfair competition.

Mr. ISAACS.—Only as to that one point.

Mr. KELLY.—Only as to that one point. What I wish to make perfectly clear now is that any combination can be held to be a commercial trust.

Mr. ISAACS.—No; only certain combinations.

Mr. KELLY.—"Any combination of separate and independent persons, whose voting power or determinations are controlled by an agreement." A combination of persons in the agricultural industry agree to send by one line of steamers on the consideration that extremely low freights are quoted by that line. They are obviously held to be a commercial trust bound by an agreement.

Mr. ISAACS.—No.

Mr. KELLY.—I am aware that that is not what the Attorney-General desires to do, but the Bill as it stands would enable any one else to do it.

Mr. ISAACS.—No; such a thing would not be dealt with by this Bill at all.

Mr. KELLY.—It might not be dealt with if the Attorney-General were to continue in his present office.

Mr. ISAACS.—It does not come within the Bill at all.

Mr. KELLY.—It presents a very solid difficulty to my mind, and, I think I may say, to the minds of a number of others. Under this interpretation clause, if any persons combine, and they have an agreement binding them, they form without doubt a commercial trust. No one will dispute that. If a combination of farmers such as I speak of made an arrangement with a shipping company for the cheap transport of their goods to Western Australia to compete in the markets of that State, the farmers of Western Australia would be up in arms at once, and would say that it was highly unfair that the company should make such an agreement.

Mr. ISAACS.—Such an agreement would not be within this Bill.

Mr. DUGALD THOMSON.—Would it not if it were done to compete with an industry in Western Australia?

Mr. ISAACS.—How could it? Under what portion of the Bill would the agreement come?

Mr. KELLY.—Its alleged design would be to destroy or injure by means of unfair competition an Australian industry. Could it not be alleged against the parties to such an agreement that the design was to injure an agricultural industry in Western Australia.

Mr. ISAACS.—But where is the unfair competition.

Mr. KELLY.—Must not a jury decide that question?

Mr. ISAACS.—What competition is there? The getting of cheap freights would not be competition.

Mr. KELLY.—They would be putting the farmers in Western Australia at a disadvantage.

Mr. JOHNSON.—And the fruitgrowers also.

Mr. KELLY.—In many different branches they would be competing with kindred industries in Western Australia. But I submit a concrete case where we

know that competition exists to-day between South Australian and Western Australian farmers in the markets of Western Australia.

Mr. JOHNSON.—There is great rivalry now between them in the growing of grapes for the production of wine.

Mr. KELLY.—There is competition in many directions.

Mr. ISAACS.—But what the honorable member suggests is quite impossible.

Mr. KELLY.—I do not see that it is, under this Bill.

Mr. ISAACS.—If the honorable member will allow me. Farmers who combine for such a purpose do nothing unfair in their trade; they simply ask some one else to carry their goods at a low rate for them.

Mr. KELLY.—Suppose they combine to compete at low rates?

Mr. DUGALD THOMSON.—Or to take a low price.

Mr. KELLY.—Or to take a low price in Western Australia.

Mr. ISAACS.—That is another matter.

Mr. KELLY.—Well, that would be a combination, which would bring this commercial trust, composed of tillers of the soil, under the Bill.

Mr. ISAACS.—If they combine to take lower prices than the Western Australian farmers demand in their own market, why should not the Western Australian farmers be protected?

Mr. KELLY.—I am afraid that the Attorney-General does not follow me exactly. It might not be to the disadvantage of Australia that they should sell their goods cheaply to the people of Western Australia. Besides, that is opening up another issue, which might be better dealt with when we reach another clause.

Mr. ISAACS.—That is what I would wish, but the honorable member is opening up that other issue.

Mr. KELLY.—No, I am dealing entirely with the question of commercial trusts, and whether a combination of agricultural employers, as a commercial trust, could affect agricultural interests in Australia.

Mr. ISAACS.—It cannot.

Mr. KELLY.—I think that the point I have put before the Attorney-General is a serious one, and for my part I must say that the honorable and learned gentleman has by no means satisfied me that the case I have put before him is not one which merits his consideration.

Mr. KNOX (Kooyong) [7.42].—My difficulty in connexion with this definition of a "commercial trust" is that unless we have continually beside us some one of the capacity of the Attorney-General we shall be unable to correctly interpret this measure. We have accepted the principle that it is desirable to prevent anything which is to the detriment of the public interest. But the Attorney-General, notwithstanding his explanation, must see that those who are likely to come under this clause are being placed in a position of very serious perplexity. I feel that it must be recognised that there are combinations which are perfectly just and legitimate, and really for the public good. Many such have already been referred to, but I think no one would undertake to say when such combinations will not be infringing the limitations and restrictions imposed upon them by this clause.

Mr. ISAACS.—No harm will come to combinations because they happen to come under this clause. It does not impose any liability upon them.

Mr. KNOX.—I have heard the Attorney-General say that this clause is only an explanatory and definition clause, but I respectfully submit that under other measures a very great deal has been found to depend upon the definition of such a term as a "commercial trust." We know that, under the operation of the Customs Act, the interpretation of certain expressions gave rise to a very great deal of unnecessary trouble, and I say, with all respect, that the Minister of Trade and Customs at that time could have helped the community greatly by some practicable application of the provisions which caused the trouble. I submit that representations which are made by members of the Committee, should receive consideration to the extent that in the clause there ought to be a declaration, specific and clear, that combinations which at present exist, and which are not harmful and not in restraint of trade, but really necessary for effective working, shall be excluded. Such combinations are not excluded by the Bill, everything being brought within this sort of octopus clause and subsequent clauses. I hope the Minister recognises that the Committee desire to deliberately go through the clauses, with a view to making this a workable measure, which will achieve the primary purpose and object in view, namely, the restraint, by methods

which shall be determined by this Committee, of any combinations against the public interest. I know the Minister will tell me that the Bill does provide that where a combination is not harmful it shall not be interfered with. But the measure starts out with this declaration against all combinations—against combinations which, as we have had illustrated to-night, are in many cases necessary. I hope that Ministers will not take up an attitude of opposition to suggestions by honorable members, but will treat all their representations as being made in good faith. In saying this, I am speaking for myself, and, I believe, for honorable members generally. The principle of the Bill having been accepted, we desire to produce a measure which will not alarm people interested in combinations for mutual benefit and interest. The amendment proposed by the honorable member for Lang is, in my opinion, a justifiable one, and I ask that it shall receive consideration at the hands of the Minister in charge of the Bill. The honorable member for Echuca has suggested that the measure shall not apply to the primary industries, and I should be very glad to see that suggestion acted upon.

Mr. ISAACS.—Does the honorable member mean that primary industries shall be exempt from the dumping clauses, so that we may have wheat dumped in here?

Mr. McCOLL.—There is no fear of that, in view of the Tariff.

Mr. KNOX.—I am not speaking in any spirit of hostility, but with an earnest desire that every consideration shall be given to the clauses, now that we are going through them line by line. We have the words, "‘commercial trust’ includes a combination," and then follow details; and the definition not only includes those combinations which are named, but contemplates others beyond.

Mr. ISAACS.—Can the honorable member conceive of any others?

Mr. KNOX.—I can conceive of all sorts of complications and restrictions.

Mr. ISAACS.—Can the honorable member conceive of any commercial trusts besides those mentioned?

Mr. KNOX.—If the Minister desires to have a limitation, and make the clause clear, why not accept the suggestion which has been made with that object?

Mr. ISAACS.—Are there any commercial trusts besides those named?

Mr. KNOX.—There are trusts which we all must admit are arranged and organized for perfectly proper purposes.

Sir WILLIAM LYNE.—They will not come under the Bill.

Mr. KNOX.—Then let that be clearly stated.

Mr. KELLY.—If an indictment is made, the question must be tried whether or not a combination is for a good purpose.

Mr. KNOX.—I shall not allow myself to be led into suggesting that the Minister who will have the administration of this measure will necessarily always be looking out for some means of creating trouble and difficulty. I do not think we have any right to suppose that any Minister would take up such a position; but still, the power is there, and under pressure which may be brought to bear, a Minister or his officers may take action, which is permissible under the measure, to the great disadvantage of enterprise and effort which are perfectly justified. I understand that the Minister in charge of the Bill, and also the Attorney-General, have agreed that the holder of the latter office shall be consulted before action is taken, thus providing the safeguard presented by the consent of two Ministers of the Crown. We are now engaged in the very arduous and serious work of putting this Bill into workable shape, and I ask Ministers to recognise that honorable members on this side are making an earnest effort to give effect to the general principle underlying it, and to prevent pernicious trusts getting hold of this community.

Mr. WATSON.—And, therefore, the honorable member would exempt one class of the community, no matter how pernicious their combinations might be! That would be class legislation with a vengeance!

Mr. KNOX.—I do not see the possibility of such a combination.

Mr. WATSON.—Then, in that case, the Bill will not affect the class referred to.

Mr. KNOX.—I resented what my friend the honorable member for Echuca said when he differentiated between the cities and the country in connexion with the possibility of the formation of trusts. I do not think there ought to be any discrimination; but combinations amongst farmers, as farmers, seem to me to be impossible.

Mr. ISAACS.—Put the honorable member sees that farmers are not penalized because they combine; they are just like other

members of the community, and only penalized if they do something wrong.

Mr. KNOX.—I rose chiefly to say that I think the amendment a very fair one. The word "includes" means that there is something beyond, and we are quite justified in asking the Minister in charge of the measure to substitute "means."

Sir WILLIAM LYNE.—I have said before that we decline to do so. If there are any other combinations besides those named, it is right that they should come under the Bill.

Mr. KNOX.—It would appear that the Minister of Trade and Customs takes up the exact position that I take up, namely, that there is something beyond what is named in the clause. The honorable gentleman will pardon me for suggesting that that is surely contrary to what the Attorney-General has said. The latter gentleman, I understand, a moment or two ago said that there is nothing beyond what is mentioned in the clause.

Mr. ISAACS.—No, I did not; I asked the honorable member for Kooyong if there were any others.

Mr. KNOX.—But, inferentially, the Attorney-General conveyed the idea that there was nothing beyond.

Mr. ISAACS.—If there is nothing beyond, no one can suffer; but if there is something beyond, then it ought to come under the Bill.

Mr. KNOX.—Then the Attorney-General is in the position of saying that there are other combinations beyond those mentioned.

Mr. ISAACS.—I beg the honorable member's pardon. What I say is that if there are other combinations they ought to come under the Bill.

Mr. KNOX.—Then I apologize. I have always felt that it is most difficult for a Committee to attempt to re-draft a Bill of this complex nature; but the responsibility is on us to try to do so. That is one of the reasons why I support the amendment of the honorable member for Lang as a desirable improvement to the Bill. Personally, my effort will be to make this a workable measure, and I do not offer these remarks for any mere purpose of obstruction. I have already said that I am very sorry the Bill has been introduced, because the necessity for it does not exist in the degree the Minister of Trade and Customs fears.

However, I do not wish to travel over that ground, which was covered on the second reading.

Amendment negatived.

Mr. HIGGINS (Northern Melbourne) [7.56].—As the word "includes" remains, may I suggest that the words which follow may be shortened, and thus made clearer? The clause says—

"Commercial Trust" includes a combination whether, wholly or partly within or beyond Australia, of separate and independent persons (corporate or unincorporate). . . .

As the word "person" includes a corporation, according to the clause, I do not see much use in saying "corporate or unincorporate," nor do I quite see the meaning of "separate and independent persons."

Mr. ISAACS.—I explained that this afternoon, but I shall do so again.

Mr. HIGGINS.—I was not aware that the Attorney-General had explained the matter. My idea is that the clause should read—

"Commercial Trust" includes a combination, whether wholly or partly within or beyond Australia, of persons whose voting power or determinations are controlled or controllable by. . . .

I never interfere in drafting beyond making suggestions.

Mr. ISAACS (Indi—Attorney-General) [7.58].—The importance of the words "separate and independent" is great, because they make it clear that the combination referred to is not a mere combination of persons in a firm, or persons who are members of a corporation—that is, are not separate and independent persons for the purpose of business—but, following on the line of the American decisions, are persons—including in the term independent firms and corporations—who are separately and independently carrying on business on their own account, and are yet combined. It is to exclude the ordinary firm.

Mr. HIGGINS.—If the Attorney-General thinks the words essential, I withdraw my objection. Does he consider the words "corporate or unincorporate" necessary?

Mr. ISAACS.—I think that the honorable and learned member is right in suggesting that they are unnecessary; but if he will allow them to stand for the present, I shall consider the matter further.

Mr. JOHNSON (Lang) [8.1].—I suggest to the Attorney-General the propriety of omitting the words "the creation of." in paragraph *a*. The mere creation of a trust cannot have any prejudicial effect.

If the words were omitted, the definition would read—

"Commercial Trust" includes a combination . . . whose voting power or determinations are controlled or controllable by a trust as understood in equity.

Mr. ISAACS (Indi—Attorney-General) [8.2].—I appreciate the honorable member's point; but the word "trust" is used in the clause in two senses. The "commercial trust" means a body of persons, whereas the "trust" referred to in paragraph *a* is the legal relation in which these persons stand to one another, and "the creation of a trust" means the creation of an equitable relation between them.

Mr. JOHNSON. — Would not the word "existence" be better than the word "creation"?

Mr. ISAACS. — I have used words which are to be found in certain decisions, and think it better to keep to them. The word "trust" in paragraph *a* means the confidence or equitable relation existing between the body of persons making up the commercial trust, and trustees are mentioned in the following line. It is by the creation of this equitable relation that the control arises.

Mr. JOSEPH COOK (Parramatta) [8.4].—The clause defines a commercial trust as a combination whose voting power and determinations are controlled or controllable by an agreement. How will that provision affect the vends to which reference has been made this afternoon, which are arrangements whereby the voting power or determinations of certain companies are controlled or controllable for certain very limited purposes?

Mr. ISAACS.—They may be affected by paragraph *b*, but not by paragraph *a*.

Mr. KELLY (Wentworth) [8.5].—Does the Attorney-General think that the definition of a commercial trust embraces an ordinary trade union, whose "voting power or determinations are controlled or controllable" by the "creation of a board of management or its equivalent"?

Mr. ISAACS.—No. In the case of a trade union, the voting power or determinations of the constituent persons of the union are not controlled by the creation of a board of management any more than are ordinary shareholders in respect to their voting power by the creation of a board of directors.

Mr. JOSEPH COOK (Parramatta) [8.6].—In the case of the vends, to which

reference has so frequently been made, individual companies act independently, except so far as they are affected by the arrangements of the vends regulating the prices of their products, upon which prices the Arbitration Court bases its awards as to wages. Are not those instances of separate and independent persons whose voting power or determinations are controlled or controllable by an agreement, and therefore commercial trusts within the meaning of the clause?

Mr. ISAACS.—Probably: though I do not care to give a definite opinion just now.

Mr. JOSEPH COOK.—Then I move—
That paragraph *b* be left out.

I can understand the Bill interfering with a commercial trust which affects all the operations of the companies of which it is composed, but I do not see why we should attack combinations formed under a simple agreement for the one purpose of fixing the price of a commodity so long as no one is injured.

Mr. WATSON.—If the price fixed were too high, would not the action of the combination be detrimental to the public?

Mr. JOSEPH COOK.—Yes; but even if paragraph *b* were left out, it would still be possible under the Bill to deal with such a case. I do not think that we should interfere with co-operative arrangements of this kind, which an experience of twenty years has shown to be absolutely harmless.

Mr. HIGGINS (Northern Melbourne) [8.10].—The remarks of the honorable member for Parramatta remind me of a criticism which occurred to me when looking over the Bill, and that is that a commercial trust may include a combination which has nothing commercial in it. It is not provided that the combination shall be a combination for commercial purposes. Therefore, if a number of sports clubs formed an association, and adopted the rule that their delegates should vote in a certain way, I think that that association would come within the meaning of the words "commercial trust" as used in the clause.

Mr. ISAACS.—Even if it did, what would happen?

Mr. HIGGINS.—It is not expedient to make the definition so wide that it may include an association of football clubs. I know that it is very difficult to define a commercial trust, and Ministers are probably more conscious of the difficulty than we are; but I desire, if possible, to include

in this term only combinations such as are aimed at in the Bill. That is especially necessary, inasmuch as the punishment of imprisonment is provided for the commission of certain illegal acts by trusts. The delegates of a number of clubs to an association might be under an agreement to vote as instructed by their clubs.

Mr. ISAACS.—I think that the case which the honorable and learned member wishes to put is that of a number of clubs voting as instructed by their delegates.

Mr. HIGGINS.—In my opinion, the honorable member for Parramatta, in moving the omission of paragraph *b*, has shown that the provision is open to the objection which he has taken.

Mr. WATSON.—How could a football club act to the detriment of an Australian industry?

Sir WILLIAM LYNE.—It could not do so.

Mr. HIGGINS.—I think that it might; but I am not now dealing with that aspect of the question.

Mr. WATSON.—The definition is meaningless except as it affects subsequent clauses.

Mr. HIGGINS.—We must take one step at a time. Clause 6 provides that unfair competition is to mean "competition which is in the opinion of the jury unfair in the circumstances," and "shall be deemed to be unfair until the contrary is proved, if the defendant is a commercial trust." When it is seen how the definition of a commercial trust applies also to the anti-dumping provisions, and that it is made easier to prove a criminal offence against a commercial trust than against any other body, it must be apparent that we should not make the definition so wide as to include combinations in regard to which there is nothing commercial. It is quite true that if you go further and endeavour to prove that the members of a commercial trust are criminal, you will experience some difficulty, but the difficulty will vanish if you can once prove that a combination is a commercial trust. It may be said that a football club is not a commercial trust, and that no one would attack it on that ground; but I am not at all sure that there is not some flavour of commercialism about even football clubs. I wish, however, to go as far as I can to protect football clubs from the menace of the Bill, because I think that the Minister of Trade and Customs ought to hold his hand where such institutions are concerned. There is very little doubt—as the Minister would, I

am sure, proclaim from the platform—that football clubs confer very great benefits on the community, and I am satisfied that the Minister has no sinister designs upon that branch of sport. Speaking seriously, I would appeal to the Minister, who has great sympathies with sport, to so frame the definition that it will not embrace within its octopus-like tentacles innocent football clubs. I do not think that he has the least design upon such institutions. I submit that the definition should be altered, but I would ask the honorable member for Parramatta not to persist in endeavouring to strike out the words "an agreement." I think that that would be going too far. I suggest that we should leave it to the Attorney-General to carefully look into the matter, and to limit the definition, which at present is altogether too wide.

Mr. WATSON.—Does the honorable and learned member think that the class of agreement spoken of by the honorable member for Parramatta should be exempted from the operation of the Bill?

Mr. HIGGINS.—No, I do not. I have not addressed my remarks to that class of agreement, but the honorable member's observations reminded me that the definition was too wide.

Mr. ISAACS (Indi—Attorney-General) [8.18].—I think that the honorable and learned member is right in saying that this is a very wide definition. But it is intended to be wide. It is no wider than the definition of the word "person." It is merely a definition of certain combinations of persons, whoever they may be—I do not care whether they are football clubs or bridge clubs, or skating clubs. If they combine in this way, they are commercial trusts, within the meaning of the Bill, but they are outside the limits of the Bill, so long as they do not enter into combinations such as are aimed at by the measure, namely, combinations in restraint of trade or commerce to the detriment of the public, or with the design of destroying Australian industries by unfair competition. We want to make this definition as wide as we can, but when we come to strike at the particular form of abuse which it is intended to prohibit, we limit the scope of the Bill. We say in effect that any person, whether he be a footballer or any one else, who does a certain act, or becomes a party to it, will be made amenable to the law.

Mr. HIGGINS.—Yes; but is not "commercial trust" a misnomer?

Mr. ISAACS.—Not for the purposes of the Act. The definition is framed on the lines of many American decisions, which have followed the evolution of trusts and combines in that country. At first, there was what they called simple combinations, composed of separate and independent persons. Then, when the simple combinations were repressed, traders and others adopted the principle of the trust. When the trusts were repressed, they resorted to the formation of corporations as in the *Merger* case. In effect, we say that if any persons, provided they are separate and independent persons carrying on their businesses separately and independently, shall combine—that is, if by means of a trust or an agreement or a corporation, or by any similar means, they surrender their own personal judgment in the conduct of their affairs, they are to be regarded as a commercial trust.

Mr. HIGGINS.—Would an ordinary pooling arrangement as to shares be regarded as a commercial trust?

Mr. ISAACS.—A pool has an undefined meaning. I understand it to be an aggregation of capital or of property under conditions which provide for a certain distribution of profits.

Mr. HIGGINS.—Suppose that a number of persons with shares agree to exercise their votes in a certain way?

Mr. ISAACS.—I should think that such an agreement would come within the definition.

Mr. WATSON.—There is no penalty for pooling unless the parties to the pool do something that is prohibited.

Mr. ISAACS.—No; nothing would happen to the parties to the pool. The definition of "commercial trust" is merely like that of the word "person."

Mr. JOSEPH COOK.—Except that the members of the commercial trust would be liable to be hauled up before a Judge.

Mr. ISAACS.—The same thing would apply to every individual in the community, in the event of his doing certain things.

Mr. FOWLER.—But if I were hauled up, would I not have a remedy at law against the constable who proceeded against me, unless he could show good cause?

Mr. ISAACS.—No. I am afraid that, as a general rule, the honorable member would have no remedy. There is no difference in principle, or as to liability to be hauled up, between a commercial trust and

any individual in the community. No penalty is attached to the mere formation of a commercial trust, but if a trust or any other person does certain acts to the detriment of the general public, those acts ought to be repressed. Whilst the honorable and learned member is perfectly right in drawing attention to the wide nature of the definition, I explain that it was intended to be wide, and that no penalty will attach to any person merely because of the definition.

Mr. BRUCE SMITH (Parkes) [8.24].—I would ask the Attorney-General whether this attempted definition of "commercial trust" has any other purpose in this part of the Bill than to shift the onus of proof in cases arising under clauses 6 and 14? I think not. All this discussion about the definition, at this stage, is really a waste of time, because I take it that the object is merely to indicate what is meant by a commercial trust in clauses 6 and 14.

Mr. ISAACS.—And possibly under clause 11.

Mr. BRUCE SMITH.—In all these cases I take it that the only result is that the onus is shifted from the plaintiff on to the defendant in the case of a combination being held to be a commercial trust.

Mr. HIGGINS.—That makes all the difference.

Mr. BRUCE SMITH.—If the only object is to shift the onus of proof of fair or unfair competition, then, inasmuch as a cricket club or a football club would never, under any circumstances, be brought into any proceedings under the Bill, the mere fact that they would come within the definition of "commercial trust" seems to me of no importance.

Mr. ISAACS (Indi—Attorney-General) [8.26].—The term has an even more limited meaning than that expressed by the honorable and learned member. In the first place, as I previously explained, under clause 4 two classes of acts are aimed at. In the first place, the restraint of trade or commerce to the detriment of the public. In proceedings for restraint of trade or commerce to the detriment of the public it would be utterly immaterial whether the defendant were a commercial trust or not. Under paragraph *b*, which relates to unfair competition, the question as to whether the persons proceeded against were a commercial trust or not would be material only for the purpose of one particular feature of the case, namely, that of

the proof of unfair competition. The plaintiff would have to prove all the other facts. He would have to prove that the Australian industry affected was one which it was advantageous to preserve in the interests of the Commonwealth. Further, he would have to prove that there was competition, and that it was carried on with design. The only additional facility that would be afforded in the case of a commercial trust would be that, the prosecution having proved competition, the trust would be called upon to show that the competition was fair.

Mr. JOHNSON.—I do not think that the prosecution would be called upon to prove the facts indicated by the Attorney-General, but would merely have to affirm them.

Mr. ISAACS.—The honorable member is wrong. The prosecution would have to prove everything except the unfairness of the competition—that could be disproved by the trust. The prosecution would have to prove competition with design, and that the Australian industry that was the subject of competition was one that ought to be preserved in the interests of the Commonwealth. There would be no onus on the defendant so far as these matters were concerned; but if the defendants were a commercial trust they would have to show that the competition was fair. Therefore, the onus of proof is not affected in one particular case, but only in one branch of that particular case.

Mr. WATSON (Bland) [8.30].—It seems to me that some honorable members who believe in the efficacy of this kind of legislation to limit the power of trusts to take advantage of the community as a whole, are making an error in attempting to restrict the definition of "commercial trust." In America, notwithstanding the apparently explicit character of the Sherman Act, the experience has been that it is extremely difficult to bring within the definition of the law the agreements and arrangements of trusts. In this connexion I may be pardoned for quoting an extract from the work issued this year by Mr. T. C. Snelling upon Trusts and Monopolies in the United States. He says—

There have been such few agreements in a form to be dealt with under that Act, because as soon as it was passed, those desiring to monopolize or restrict Inter-State commerce found other methods for doing so than by making such agreements. It is doubtful if there is to-day a single institution or business arrangement within the inhibitions of that Act, notwithstanding that trade, transportation, and manufactur-

ing monopolies are more numerous and powerful than ever before. What is called the "Beef Trust" is not a trust at all, but rather a "pool." It is a secret pool, difficult or impossible to be suppressed, or even hindered, by judicial remedies or proceedings, but it is not a trust.

I say that this writer, who, as a lawyer, can speak with some authority upon the subject, as well as others, whose opinions I have been able to find in various publications—and I have read two articles in the *Journal of the American Academy*—concur in saying that the Sherman Act has failed mainly because of the difficulty of bringing within the definition of the law these pools, or trusts, or combinations which operate to the detriment of the public. Therefore it seems to me that those who desire that this legislation shall be given a fair opportunity of proving successful should make the definitions as wide as possible. As the Attorney-General has pointed out, it does not matter how wide a definition may be, because, after all, it is governed by the offence to which the law applies. It is not the fact that certain combinations are "pools," or are working under an agreement—as was instanced by the honorable and learned member for Northern Melbourne in regard to football clubs—which makes them commercial trusts, but it is the fact that they are banded together for a specific object to the detriment of the public, for the restraint of trade, or for the purpose of injuring an industry. It is the class of offence which governs the matter, and not the definition under which it comes. It seems to me therefore that when the deputy leader of the Opposition proposes to omit the term "agreement" as coming within the definition of a "commercial trust," we should have regard to what class of offence is possible under an agreement. It does appear to me that there is a possibility—I do not say a probability, because in the light of our experience we are not justified in assuming that there is a probability—of the coal vend either in Newcastle, Illawarra, or the Western district of New South Wales acquiring a power—and taking advantage of it—to injure the public by putting up the price of that commodity beyond a reasonable maximum. If that were done surely the honorable member for Parramatta does not contend that the vend should be outside the pale of the law, and that the public should have no opportunity of obtaining redress? I am satisfied that he would not put forward a

proposition of that kind for one moment. Yet the effect aimed at—so far as the amendment can secure it—is to allow an agreement to go without any possibility of prohibition, so far as the law is concerned. An agreement may be just as harmful to the public as any other form of pooling or combination, and I trust that the Minister will adhere to the clause in its present form. As I intimated during the debate upon the second reading of the Bill, I have no great faith in the efficacy of this class of legislation, but I do say that it is to the interest of the community that every opportunity should be afforded of proving whether or not it is of value. I am, therefore, ready to assist those who believe in it to put in this clause every safeguard to prevent the possibility of offenders against the law escaping when the public indignation is aroused against them. I say this to them, "Make the mesh as small as you will; tighten it in every possible direction, and I am willing to assist you." At the same time I warn those who believe in this kind of legislation that if they leave these definitions obscure there will be a very great danger that it will fail to achieve even the small measure of success which has attended the operation of the Sherman Act in America.

Mr. JOSEPH COOK (Parramatta) [8.37].—As a layman, it strikes me that we are now asked to sanction a legal drag-net, which makes an offence of the most innocent actions and operations of the trading people of Australia. We are asked to do that in order that some individual at some point may not slip through it. Are we so hard up for a justification of a measure of this kind in Australia that honorable members cannot even cite a probable case? Even the honorable member for Bland has declared that all he can see in connexion with the vends referred to is that there is a possibility that at some time or other something might occur which would bring them within the scope of this very wide definition.

Mr. WATSON.—If we let them escape, others will escape too.

Mr. JOSEPH COOK.—What others? All I have to say in that case, is that it seems to me they could not reach an agreement of the character indicated unless they controlled the whole of the operations of coal-raising over the entire Continent. I will go further, and include New Zealand as well. It is almost impossible for a

monopoly of the kind indicated by the leader of the Labour Party to spring into existence, and, therefore, it is almost impossible to conceive of cases arising in which trade might be restrained to the detriment of the public within the meaning of this clause, as it is generally understood. But here is the fact that we are actually legislating to meet a condition of things which may arise perhaps fifty years hence. I say it is a pity that in this Federal Parliament we have not something better to do than to waste time over such enterprises.

Mr. WATSON.—There is one concern in Australia which is at present operating under agreement to the detriment of the public. I refer to the shipping ring.

Mr. JOSEPH COOK.—The shipping ring would be covered by other portions of this definition. All that that ring is doing to the detriment of the public and in restraint in trade would be covered by paragraph *a* of this clause.

Mr. WATSON.—I doubt it.

Mr. JOSEPH COOK.—The shipping ring would be a commercial trust, "whose voting power or determinations are controlled or controllable by the creation of a board of management or its equivalent or some similar means."

Mr. WATSON.—I do not think that it has a board of management.

Mr. JOSEPH COOK.—It is a pity that in this Parliament we have not something better to do than to discuss drag-net legislation of the character proposed—legislation which is intended to have no immediate effect, and as to which a case cannot be cited, that is likely to come under its penal clauses.

Mr. WATSON.—I have already cited one.

Mr. HIGGINS (Northern Melbourne) [8.40].—I think that the extract which was read by the leader of the Labour Party was a very appropriate one. We are all aware that the legislation upon this subject in the United States has been an absolute failure. Ineffective attempts to improve it have been made again and again, and it is quite true, as the honorable member has said, that the corporations or combinations or rings have merely shifted their places, just as the magsman upon a race-course shifts his location and starts business again. I quite agree with the honorable member that we ought to endeavour to avoid making this definition obscure, because if it be obscure it may lead, not only to the escape of those who are guilty,

but to the punishment of those who are innocent. The honorable and learned member for Parkes, too, has rightly said that it involves only a matter of the burden of proof—that if we call an organization a “commercial trust” we shall merely shift the question of determining whether the competition to which its operations subject any industry is unfair. At the same time, the shifting of the burden of proof is a very important matter.

Mr. BRUCE SMITH.—I admit that, but I reserve to myself the right to determine whether commercial trusts should as a matter of course have the burden of proof shifted on to them.

Mr. HIGGINS.—Assuming that in the case of a commercial trust it was not necessary to prove unfair competition, it would then become a very important matter. Let me put a case bearing upon our legislation in regard to the admission of coloured immigrants. Let us suppose that a law was passed that any coloured person found in our streets should be regarded as a prohibited immigrant unless the contrary could be proved, and let us further suppose that in the definition of the term “coloured immigrant” we laid it down that any person with black eyes, or possessing a moustache of more than a certain length should be deemed to be a coloured person, the whole burden of proof would be shifted. Of course, I am putting a ridiculous case to illustrate my point. If there were such a law operating it would make a very great difference. I understand that the Attorney-General’s explanation—which as usual is very lucid and very proper—is “Oh, it does not matter what you call a commercial trust, because the offence is the matter to be considered. That is all very well. But in legislating on this delicate matter, where the smallest difference in the conduct of a man may mean his imprisonment or freedom, it is our duty to be careful rather to keep out the innocent than to let in the guilty. It is immensely more important that we, in our ignorance of how to deal with these things—there is ignorance, and I do not think that this mode of dealing with them will ever be efficient—shall not widen the definition beyond what we want absolutely to express. What we want to express is a commercial combination, and we do not desire to include in the term a combination which is not commercial.

Mr. WATSON.—But suppose that, like the Beef Trust in America, the combination were working under an oral agreement, how would the honorable and learned member deal with them under the law?

Mr. HIGGINS.—That is exactly the kind of thing to which I referred when I spoke on the second reading of the Bill. In America the experience has been that the combinations never have an agreement. It is the rascally combinations that have no agreements; they never can be found. It is the honest combinations that have agreements, and they can be found.

Mr. BRUCE SMITH.—The honorable and learned member will admit that they must be very honest men to do the business they do without any writing.

Mr. HIGGINS.—No. If the honorable and learned member will read the late Henry Demarest Lloyd’s book on investigations in America as to pools and trusts, he will find that commission after commission have had the obvious guilty parties before them, and that they denied upon oath that there was any agreement. There is no need of an agreement.

Mr. WATSON.—Just an understanding.

Mr. HIGGINS.—Yes. A wink of the eye, a move of the hand, or any little emblem like a handkerchief is quite enough to indicate their meaning. I agree absolutely with the honorable member with regard to the inefficiency of this legislation, and of this part of the Bill, and the manner in which such legislation is evaded in America. We are not going to bring the guilty trusts under the law by means of making too wide a definition of a commercial trust. Perhaps it would be silly to get warm over an interpretation, but I feel sure that we cannot be too careful in this thing. I shall not support any proposal to amend the definition, because I feel that the responsibility is upon the Ministers; they have to look after the drafting. I would not like to interfere with any part of the delicate machinery with which they have to deal. But I would suggest to the Ministers that they should see whether, if they think it expedient, they cannot recommit this definition of a commercial trust. Perhaps, while I am on this clause, I may be permitted to indicate to Ministers that there is a curious anomaly. It says—

and includes any division, part, constituent, person, or agent, of a Commercial Trust.

But paragraph *a* of clause 6 says that the competition shall be deemed to be unfair until the contrary is proved—

Mr. ISAACS.—It ought to be “constituent person.” There should be no comma between “constituent” and “person.”

Mr. HIGGINS.—That, however, is not my point. Clause 6 says—

In the following cases the competition shall be deemed to be unfair until the contrary is proved :—

(a) If the defendant is a Commercial Trust or agent of a Commercial Trust.

Inasmuch as the agent of a commercial trust is a commercial trust, what is the good of saying that the competition is to be deemed unfair if the defendant is a commercial trust, or the agent of that agent? Apparently, a lorryman or drayman will be held liable under this particular clause. I feel the responsibility of interfering with the drafting of a Bill, and I am quite sure that the Attorney-General will give the matter his full attention.

Mr. BRUCE SMITH (Parkes) [8.50].—I am afraid that we are wandering away a little from the question under consideration. I agree entirely with the honorable and learned member for Northern Melbourne as to the very great importance of saying what particular combinations we include under the term “commercial trust.” But my criticism of his former speech was made because he had expressed some fear lest football and cricket clubs should be brought under this definition. I said that, as we were only dealing now with the definition of the term “commercial trust,” which had reference to future clauses, where we should have room for a better discussion on the merits, he need have no fear of the definition touching the sort of clubs to which he referred. I quite recognise, with him, the great importance of knowing clearly what we are including in the phrase “commercial trust,” and I hope that, when we come to clauses 6 and 14, the Committee will take into serious consideration whether it is going to extend the principle—it was copied from the English Act by the honorable member for Adelaide in framing the Customs Act—of throwing the burden of proving his innocence upon a defendant. Because there is an attempt here—and I can quite understand why it is done—to legislate to the effect that, when once any combination is brought within the definition of a commercial trust, it shall be presumed to be

competing unfairly unless it proves that it is competing fairly. Probably it was seen that, where competition was involved in the importation of goods from a country like the United States, it would be very difficult for the Customs authorities to prove that the competition was unfair by reason of the goods being imported at less than cost price in the country of production, and therefore the Government said, “We will presume that the competition is unfair unless the defendant proves to the contrary.” I can understand the utility of it, but the Committee will have to consider by-and-by whether they are going to embark upon the common use of this principle, which is a complete reversal of the fundamental principle of English justice, that where a man is charged with an offence he shall be proved guilty before he is judged so. In this Bill we are entering upon a more extended use of the principle of charging a man with an offence, and saying, “You are presumed to be guilty until you prove your innocence.”

Mr. ISAACS.—There are a good many exceptions under the English law.

Mr. BRUCE SMITH.—I am not dealing with that now, because I think it will come up more properly under clauses 6 and 14. What we are dealing with now is the definition of “commercial trust.” The honorable and learned member for Northern Melbourne and the honorable member for Bland very properly say it ought to be full and explicit. I think it ought to be unmistakable; but, as it stands here, it is most vague and difficult to understand, because it does not attempt to describe a commercial trust, but simply says that it shall include certain things, although not all that it may comprehend. I agree with the honorable member for Kooyong that it is made possible to bring under this definition a great deal that is not even mentioned, and probably is not thought of, at the present time. There is another side to this question. We have to consider that the prosperity of this country depends upon the activity of its commerce, and that the activity of the commerce of a country depends upon the certainty with which it can be conducted. I remember that a Judge of the High Court of England once said that it was more important that the law should be certain than that it should be right; and there is a great deal of philosophy in that statement. If we want the commerce of this

country to progress we must give the people who make that commerce confidence; and if we, as was suggested by the honorable member for Bland, encompass them with a network which would involve them in a labyrinth of doubts as to whether they might or might not move without the fear of criminal proceedings, we shall paralyze the commerce of this country. Therefore, the definition ought to be clear, and the Government, although there are very few of its members with what I call practical business experience, ought to recognise that we are endeavouring to curtail, for what may be deemed beneficial purposes, the abuses of the commercial world. But we have to be very careful that in checking the abuses we do not go to the root of the thing itself and make a network of provisions which would render mercantile life unbearable. If a Bill like this was encompassed round with such a multiplicity of rules and regulations and vague definitions, that no person engaged in commerce could move without feeling that he was running the risk of a year's imprisonment, it would cause every man who was in a position to do so to hold his hand, and probably injure the commerce of the country. The honorable member for Bland, when referred to by the honorable member for Parramatta with regard to the coal agreement, deprecated it, and mentioned the shipping agreement as another instance of an organization which ought to be touched by the Bill. I would remind the honorable member that I have had considerable experience of shipping. For some years, as the Committee probably may know, I was president of the Employers' Union, and managing director of one of the largest shipping companies of this country. I remember that when the excuse made for lowering wages was the "cut-throat" rates that were being charged by the shipping companies, the one contention of the trade unionists of this State was, "Why do you not combine amongst yourselves and insist upon the public paying you freights which would enable you to pay fair wages?"

Mr. WATSON.—That is a reasonable exercise of power, but extortion goes beyond it.

Mr. BRUCE SMITH.—Yes, but the honorable member has not shown that there has been any extortion.

Mr. WATSON.—I shall show that on another occasion.

Mr. BRUCE SMITH.—The honorable member has not advocated that only extortionate cases should be brought under the Bill. He has advocated that agreements—for instance, the agreement between the shipping companies—should be brought thereunder.

Mr. WATSON.—When they are operating to the detriment of the public, as mentioned in clauses 4 and 5?

Mr. BRUCE SMITH.—Through their representatives, the trade unionists of Victoria, at that time numbering some 46,000, invited the shipping companies to take the earliest opportunity of entering into a combination to keep up rates; because, as I knew to my cost, the companies were cutting one another's throats in their desire to get business. With regard to the coal trade, the honorable member knows very well that only twelve months ago, when the coal companies gave the low price of coal as their reason for not increasing the rates of pay or for decreasing them, the one advice from all the trade unionists of Newcastle was, "Why do you not enter into a combination amongst yourselves to keep up the price of coal?"

Mr. WATSON.—I have already said that so far the colliery proprietors have not abused their power.

Mr. BRUCE SMITH.—The honorable member spoke in rather a general way in condemnation of these combinations on the part of the coal-owners and the shipping firms.

Mr. WATSON.—No; I do not put the two on the same plane.

Mr. BRUCE SMITH.—The honorable member will understand that I am not for a moment vindicating either. I know very well that both are capable of abuse; but, for years, the complaint of trade unionists has been that the shipping companies would not combine in order to keep up freights, and that the coal-owners would not combine in order to keep up the price of coal. We, as a legislative body, have to hold the scales in the framing of laws. I am quite sure that no honorable member is anxious to put any particular branch of commerce in such a position that it could abuse its power by combination and so mulct the public. I am quite sure that there are many honorable members on both sides of the chamber who, while anxious to benefit the workers, are not desirous of paralyzing or stifling the commerce of the

country. I indorse the remark of the honorable member for Kooyong, that we ought to remember that we are here as trustees, and not to represent particular classes. We are not here to give vent to class feeling and to do our utmost to win for one side or the other. We have to remember that the commerce of this country is its life blood, and to take care that while we are doing our utmost to prevent the abuses, which I am quite prepared to admit do occasionally creep in either from outside or from inside, we do not kill the goose in our anxiety to get more eggs.

Mr. FOWLER (Perth) [9].—The honorable and learned member for Parkes has forgotten some of the teachings of the science of political economy. He wishes us to infer that high wages are necessarily identical with high prices. As a matter of fact, I think the honorable and learned member will admit that in the history of industry and commerce throughout the world the raising of wages has much more frequently been associated with the lowering of the cost of production than low wages have been associated with cheap production.

Mr. BRUCE SMITH.—I said nothing to the contrary. I was saying only what the coal-miners urged as a cure for low wages in the shipping industry.

Mr. WATSON.—They urged that in reply to an excuse put forward.

Mr. BRUCE SMITH.—Of course.

Mr. FOWLER.—In the case of the shipping ring, it is just possible that the owners of the ships might have said to the men that they could not afford to pay high wages because of the low rates of freight, but I put it to the honorable and learned member, in view of his knowledge of political economy, whether that was a sound reason or not?

Mr. BRUCE SMITH.—It just depends how close they were running to their income.

Mr. FOWLER.—I think the honorable and learned member will agree that in industry, as a rule, the raising of wages means the increased efficiency of the worker, and almost necessarily a lower cost of production. That has undoubtedly been the history of economics in modern times.

Mr. MAUGER.—Except when it is applied to Japan.

Mr. FOWLER.—I think that it holds good even in Japan.

Mr. MAUGER.—Good old free-trade gag.

Mr. FOWLER.—I shall have an opportunity to discuss that matter in greater detail than is possible at the present time. I wish to refer now to the question as it affects an alleged combine mentioned to-night, namely, the shipping ring. I contend that if one-half of what has been said in reference to the shipping ring is true, this Bill will not touch it at all. In my opinion this particular clause is altogether wide of the mark, if it is expected to hit that particular commercial concern. In this connexion the one material phase of the question, and the one determining factor in getting at such a combination, if it exists, has been lost sight of altogether. The method of getting at this combination is by determining by some Act of Parliament the rate of remuneration for the services it renders. In other words, the freights, passenger fares, and so on, will have to be specifically determined, or all legislation of this kind will be absolutely wide of the mark.

Mr. McCOLL.—That will have to apply all round.

Mr. FOWLER.—Undoubtedly, and I contend therefore that every specific act which this Bill is brought in to suppress will require to be dealt with by a separate Act of Parliament. The operations and ramifications of trade differ so much in the case of varying companies and associations that no general proposition of this kind will effectively deal with the evil aimed at. Each specific case should be dealt with entirely on its own merits, and this Bill will undoubtedly lead to a great deal of irritation and a great deal of disappointment on the part of those who have expected anything from it. I tried by interjection to make a point when the Attorney-General was speaking, but, owing to my lack of knowledge of the technicalities of law, I was not particularly fortunate. I shall try to make that point now. I would ask whether any person whose path I get in the way of occasionally can trump up a criminal charge against me with impunity? If I find myself, as the result of a trumped-up charge, placed in the dock and put upon my defence, does the learned Attorney-General or any other person say that I have no remedy at law against that kind of thing?

Mr. WATSON.—The honorable member would have a remedy against a private individual, but I doubt whether he would have a remedy against the Crown.

Mr. FOWLER.—I can get a remedy against some one or other. That will be admitted by every one.

Mr. BRUCE SMITH.—No, it does not follow at all.

Mr. FOWLER.—Am I to understand that I can be placed in the dock and charged with a criminal charge as the result of a purely trumped-up matter, and have no remedy at law?

The CHAIRMAN.—Will the honorable member be good enough to say how he connects these remarks with the amendment?

Mr. FOWLER.—My point is that under the clause, as it stands, it is possible for a trumped-up charge to be made against any person or persons by some competitor, and that the person or persons so charged may be put practically in a criminal dock, and have to face the possibility of imprisonment, unless they are fortunate enough to be able to disprove the accusations made against them.

Mr. WATSON.—But, under an amendment which the Minister has outlined in clause 11, the Attorney-General will act as grand juror, and he will require to find a true bill.

Mr. FOWLER.—I do not believe that the Attorney-General should have the power to act as grand juror.

Mr. WATSON.—We must have some one. Whom would the honorable member have?

Mr. FOWLER.—In the face of history, I cannot understand the honorable member for Bland talking in that fashion, when he realizes the great succession of fights made by democracy against the exercise of such arbitrary power by officers of the Crown in the past.

Mr. WATSON.—Whom would the honorable member suggest in lieu of the Attorney-General. We must have some one to say whether a *prima facie* case has been made out.

Mr. FOWLER.—I say that the *prima facie* case should be stated in the ordinary terms of law.

Mr. WATSON.—By whom?

Mr. FOWLER.—The unfortunate person put in the dock has to disprove the charges made against him.

Mr. WATSON.—The honorable member is on another question now—the question of the burden of proof.

Mr. FOWLER.—The honorable member for Bland is taking two phases of this Bill, and insisting upon regarding them as one.

Mr. WATSON.—No, I take them separately. I say that the burden of proof is another question.

Mr. FOWLER.—The position is this: The first step taken means to the unfortunate individual against whom the charge is made that he is placed in the dock, practically as a criminal; and I contend that, unless there is good and sound reason at law for such a step as that, such a power ought not to be in the hands, first, of the Comptroller-General of Customs, and, secondly, of the Attorney-General himself.

Mr. WATSON.—Some one must say whether there is a *prima facie* case; whom would the honorable member suggest?

Mr. FOWLER.—I say that in a matter of this kind the *prima facie* case should be made out by Parliament, and Parliament should come down with a Bill to deal with the specific matter.

Mr. WATSON.—A special law for each case?

Mr. FOWLER.—Undoubtedly. I do not wish to turn Parliament into a law court, but I say that there are matters proposed to be dealt with in this Bill that are matters, not of law, but merely as to whether certain individuals will be better off if certain competitors are put out of their way. Is that a matter which should lead to a person being dragged into a criminal court?

Mr. DEAKIN.—That is nonsense.

Mr. FOWLER.—I cannot understand the reasons at work in putting a Bill of this kind before the House.

Mr. DEAKIN.—Hear, hear; the honorable member cannot.

Mr. FOWLER.—I am perfectly sure that this measure will rebound with most unexpected results on the heads of those who put it forward.

Amendment negatived.

Mr. MCCOLL (Echuca) [9.10].—I rise to submit the amendment of which I gave notice some time ago. I move—

That after the word "Trust," line 18, the following words be inserted "but does not include a combination of persons engaged in agricultural, viticultural, horticultural, or dairying pursuits in relation to these industries."

Mr. POYNTON.—The same old gag.

Mr. WATSON.—No class legislation.

Mr. MCCOLL.—Honorable members who are jeering at this proposal to-night voted for it when it was brought forward in connexion with the workers' trade marks provisions of the Trade Marks Bill.

Mr. WATSON.—That is not correct.

Mr. McCOLL.—It is quite correct, and it was accepted by the Government without any objection at that time.

Mr. WATSON.—It was not voted for by us. I expressed then the same objection to it as I have done now.

The CHAIRMAN.—Order!

Mr. JOSEPH COOK.—Honorable members did not vote against it.

Mr. WATSON.—Those in favour of it had the numbers, and it was not worth our while to bother about it.

Mr. JOSEPH COOK.—If the honorable member had told the Government what they had to do they would have had to do it.

The CHAIRMAN.—Order!

Mr. WATSON.—The honorable member was on their side then, and he always is when sectional interests are involved.

The CHAIRMAN.—Order! If the interjections do not cease I must call the special attention of the Committee to the honorable members who make them.

Mr. McCOLL.—As this debate proceeds its general haziness, as well as that of the Bill, are developed, and I am the more strongly confirmed in the opinion that such a class of persons as those who till the soil, and who do not understand Acts of Parliament, ought certainly not to be included under this Bill.

Mr. FRAZER.—Would a wheat buyers' monopoly be a good thing for the farmer?

Mr. McCOLL.—Wheat buyers do not till the soil.

Mr. FRAZER.—They operate on the products of the soil.

Mr. McCOLL.—When I gave notice of this amendment the Minister in charge of the Bill interjected, "This is an electioneering dodge." It evidently dawned at once upon the honorable gentleman's mind that the proposal would be a popular one with the farmers, otherwise he would not have characterized it as he did. I am aware that the honorable gentleman in his innocence would never resort to an electioneering dodge. At the same time, he knows well what will go down with the farmers he represents, and what will not, and I venture to say that the bringing of this class of the community under the provisions of this Bill will not be a popular move with them. Owing to the haziness attaching to these definitions, it has been said that Ministers are endeavouring to bring all sorts and conditions of people under the Bill. This clause is what the present Premier of Victoria at one time

described as an *omnium gatherum*. It is a provision by which everybody is dragged into the net, and allowed to take his chance. I object to men who have to toil from early morning until late at night, and who do not understand Acts of Parliament, being liable to be placed in the position just described by the honorable member for Perth; liable to be taken away from their work, brought up at any time, and dragged into court on some trumped up charge framed under this Bill.

Mr. WATSON (Bland) [9.15].—I have not had time to look into this amendment carefully, and I am not quite sure whether I understand the phraseology aright, but the proposition may go a great deal further than the honorable member for Echuca intends. I am inclined to think, at first blush, that the amendment will exempt dealers in agricultural produce, as well as those who are engaged in the actual production.

Mr. DAVID THOMSON.—The wheat combine, for instance.

Mr. WATSON.—Or the apple combine, and the thousand other developments in connexion with which people fleece the farmers at every opportunity.

Sir WILLIAM LYNE.—There is the Colonial Sugar Refining Company.

Mr. WATSON.—The Colonial Sugar Refining Company is engaged in dealing with primary products.

Mr. DUGALD THOMSON.—Does the honorable member say that the Colonial Sugar Refining Company fleeces the farmers?

Mr. WATSON.—The Colonial Sugar Refining Company is engaged in the actual production of sugar, as well as dealing with the raw sugar brought to them by private growers.

Sir WILLIAM LYNE.—And there is the tobacco company.

Mr. DUGALD THOMSON.—I ask whether the Colonial Sugar Refining Company fleeces the farmer?

Mr. WATSON.—What I said was that the proposal of the honorable member for Echuca may exempt a number of combinations that are engaged in fleecing the farmers.

Mr. DUGALD THOMSON.—Then the honorable member mentioned the Colonial Sugar Refining Company.

Mr. WATSON.—Well, I shall say that the Colonial Sugar Refining Company is in some cases giving many shillings per

ton less for sugar cane than is the management of the Central Co-operative Mills; and that means fleecing the farmers of the difference.

Mr. DUGALD THOMSON.—The Colonial Sugar Refining Company has given 3d. per ton more than has the management of the Co-operative Sugar Mills for over four years.

Mr. WATSON.—In regard to some districts, I beg to dissent from the honorable member absolutely.

Mr. DUGALD THOMSON. — Very well; then in other districts the management of the Co-operative Mills must be giving much less.

Mr. WATSON. — Until recently the Central Co-operative Mills were managed by the farmers themselves, and many of them failed miserably until the enterprise was taken over by the Government. The management, as well as the ownership of some of them, was taken over by the Government, which had previously held a mortgage; and since then, in nearly every case, more has been paid for sugar cane than has been paid by the Colonial Sugar Refining Company. However, under the amendment, all that needs to be done is for one of those companies, combinations, or trust pools to engage in some fashion in direct production of the commodity in which they deal, to escape any penalty under the measure.

Mr. BRUCE SMITH. — Is the honorable member sure?

Mr. WATSON.—No; but the amendment has been sprung upon us without being printed. Even if the amendment as drafted does not apply to those engaged in the handling of primary products, it would still be possible, in a case like that of the Colonial Sugar Refining Company, which grows cane, as well as handles it as a secondary product, to escape all the machinery which the Bill brings into existence. In any case, it is another instance, it seems to me, of the honorable member for Echuca casting a slur or reflection on the farmers of this country—nothing but a slur and a reflection. According to the honorable member, the farmers desire to be exempt from any penalty, no matter what kind of crime they commit against the community at large. Does the honorable member seriously say that the farmers of Victoria, or of Australia, have sunk so low that they ask to be exempt from punishment, even though they work

against the interests of the people of Australia, or commit what, but for the proposed exemption, would be a breach of the law?

Mr. WATKINS.—And are the farmers as ignorant as the honorable member for Echuca represents?

Mr. WATSON.—I do not think that the farmers are as ignorant as the honorable member endeavours to make out when he says that they do not know what the law is, and cannot construe it. In my experience the farmers are just as intelligent as any other section of the community, and just as well able to understand the laws. I do not believe there is a majority of the farmers who desire any special treatment at the hands of this Parliament.

Mr. KNOX.—But the lawyers cannot agree as to a definition.

Mr. WATSON.—The honorable member for Kooyong must remember that however wide we make the definition of "commercial trust," it does not matter in the slightest degree, unless those affected engage in some act to the detriment of the public and in restraint of trade and commerce. Until they get to that stage, it does not matter even if they are included a thousand times.

Mr. MCCAY.—The definition of "commercial trust" does not apply to the part of the Bill dealing with monopolies.

Mr. WATSON.—I am not speaking of monopolies which are not pools, but of pools which may also be monopolies.

Mr. MCCAY.—But the definition of "commercial trust" has nothing to do with the part of the Bill relating to restraint of trade and commerce.

Mr. WATSON.—I think it has; the definition of "commercial trust" refers to sections 4 and 5 amongst others. Clause 4 provides—

1. Any person who wilfully, either as principal or as agent, makes or enters into any contract, or is a member of or engages in any combination to do any act or thing, in relation to trade or commerce with other countries or among the States—

- (a) in restraint of trade or commerce to the detriment of the public; or
- (b) with the design of destroying or injuring by means of unfair competition any Australian industry the preservation of which in the opinion of the jury is advantageous to the Commonwealth, having due regard to the interests of producers, workers, and consumers.

Mr. MCCAY.—That which is called a "commercial trust" in clause 3 may be

such a combination as is described in clause 4, but the definition does not apply, because the words "commercial trust" are not used in clause 4.

Mr. WATSON.—Clause 6 specifies that for the purposes of clauses 4 and 5, if the defendant is a commercial trust, the onus of disproof shall lie on him.

Mr. McCAY.—So that combinations of farmers are criminal until the farmers prove their own innocence.

Mr. WATSON.—But the honorable member for Echuca is branding the farmers as potential criminals when he seeks to exempt them from a law designed to protect the general public. This Parliament lays down the principle that the efforts of a combination to raise prices unduly is against the public interest; and according to the honorable member for Echuca, any combination, which is not one of farmers, should be punished, but if the combination be of farmers, their criminality should be allowed to pass without comment or action on the part of the community. That is an extraordinary position, and one which I do not believe the farmers desired to see taken up on their behalf. Farmers should be placed on exactly the same plane as are other members of the community. If any number of farmers engage to raise prices to such a degree as to extort unfair and improper prices from the public, they ought to be brought to book in the same way as are the commercial classes.

Mr. McCAY.—This amendment will not prevent the farmers being brought to book.

Mr. WATSON.—Then what is the object of the amendment?

Mr. McCAY.—So far as I understand the amendment, the effect would be to prevent the burden of proving their innocence being shifted on to the farmers.

Mr. WATSON.—If that were the only object, it could be achieved by an amendment in clause 6.

Mr. McCAY.—I think that is all the amendment does.

Mr. ISAACS.—Why should farmers be put in a different position from that of any other portion of the community?

Mr. McCAY.—I am not discussing the merits of the question, but merely pointing out the meaning of the amendment.

Mr. WATSON.—The whole point is that if this practice of pooling and combining is against the public interest—if people en-

gaged in a combine are working detrimentally to the public interest and in restraint of trade and commerce—it does not matter whether the combine consists of commercial men, farmers, or manual labourers, they should be treated in exactly the same way, so far as the law is concerned.

Mr. ISAACS.—All men ought to be equal before the law.

Mr. DUGALD THOMSON.—They were not made so in the Arbitration Act.

Mr. WATSON.—We attempted to make them so.

Mr. DUGALD THOMSON.—Farmers were not.

Mr. WATSON.—I objected to, and spoke against, the exemption of farmers under that Act, and I am now only consistent in opposing any special treatment being accorded to them under the Bill.

Mr. DUGALD THOMSON.—My interjection was made in reply to the Attorney-General.

Mr. WATSON.—For myself, I see a distinction. It was contended that there was no likelihood of farmers being brought under the Conciliation and Arbitration Act. Although I opposed their exemption, I have to admit that I did not see any probability of the farming community being made, in practice, subject to its provisions.

Mr. DUGALD THOMSON.—There was every likelihood.

Mr. WATSON.—A similar Act has been in existence in New Zealand for many years, and the farming community has, in practice, never yet been brought under it.

Mr. DUGALD THOMSON.—The farming community has not been brought under the law.

Mr. WATSON.—The farming community in New Zealand was always subject to the law, but it has never been put into practice as affecting their industry. Many other trades and callings have been brought under the New Zealand Act, but never farming, although the power is there for any trades unions that may be organized to bring it into operation.

Mr. McCAY.—I thought the farm labourers were organized in South Canterbury?

Mr. WATSON.—They may be, but there has never been a case in which the question of the wages of farm labourers has been before the New Zealand Arbitration Court.

Mr. McCAY.—I think that the farm labourers are organized there.

Mr. WATSON.—I am not aware of the fact; at any rate, there has never been before the Arbitration Court a question as to the wages, conditions, and so forth, of farm labourers.

Mr. LIDDELL.—Farm labourers are too busy to organize; that is why.

Mr. WATSON.—That may be so. The honorable member, probably by accident, has struck on a very great truth. If conditions are ideal, there is no necessity for trade unions; it is only because of necessity that trade unions arise. As to the amendment, it is my belief that the farmers do not desire any special exemption of the sort.

Mr. GLYNN.—How could farmers combine to shut up other farmers?

Mr. WATSON.—I am doubtful myself as to where the farmers "come in." I am positive that, so far as dealers in farm produce are concerned, there are great dangers of the farmers being "rooked" by them. What about the disclosures of the Butter Commission, and the statements made before the Shipping Commission in regard to apples shipped from Hobart? In quite a variety of directions we know of combinations dealing with farm produce that have been altogether against the interests of the producers.

Mr. JOSEPH COOK. — If the occasion arises, clap a Bill at them!

Mr. WATSON.—The honorable member may make that assumption, but it is not my attitude. With respect to every class which will come under this measure, the necessity would first arise to make out a *prima facie* case that those concerned were going beyond what was reasonable. The Minister of Trade and Customs has announced that, in clause 11 provision will be made that the Attorney-General must practically file a bill before any step can be taken; and, with that assurance, there is no likelihood that every small effort to insure reasonable conditions will be made the subject of an action at law. But we must have power, it seems to me—or make the attempt to get the power—to deal with those forms of combination which are against the general interest, and I object altogether to any exception being made in the case of farmers or any other section of the community.

Mr. McCAY (Corinella) [9.30].—I think that the honorable member for Bland has misapprehended the meaning of the amendment; but the wording must be somewhat altered to effect the exact object

which the honorable member for Echuca desires to attain. That, no doubt, is a matter in which the Attorney-General will give his assistance.

Mr. ISAACS.—I am always ready to assist in drafting, whatever view I may take in regard to the merits of a proposal.

Mr. McCAY.—I take it that the object of the amendment is to prevent the application of the definition of "commercial trust" to a combination of persons engaged in agricultural, viticultural, horticultural, or dairying pursuits. If such combinations came under the definition of a commercial trust they would, under paragraph *a* of clause 6, be liable to be held guilty of acting in restraint of trade or of unfair competition until they had proved that they were innocent. Clause 6 shifts the burden of proof with respect to a commercial trust from the Crown to the defendant. Instead of the Crown having to prove the defendant guilty of unfair competition, the defendant has to prove himself innocent of it, and the desire of the honorable member for Echuca is simply that a combination of farmers shall not be deemed to be guilty until it is proved innocent.

Mr. WATKINS.—Why should not all other combinations be placed in the same position?

Mr. McCAY.—That is another matter. I have very grave doubt about the propriety of assuming any one guilty until he has proved his innocence.

Mr. ISAACS.—That question arises in connexion with clause 6.

Mr. McCAY.—Yes. I am merely pointing out that the amendment does not exempt combinations of farmers from the operation of the Bill, but provides that they shall not be liable to be charged with unfair competition, and be deemed guilty, until they have proved their innocence.

Mr. WATKINS.—Does the honorable and learned member think that combinations of farmers should be specially singled out in this manner?

Mr. McCAY.—I am very doubtful of the propriety of assuming any one guilty in this particular case, but certainly combinations of rural producers should not be assumed to be guilty until they have proved their innocence.

Mr. WATKINS.—Would it not be better to test the question in dealing with clause 6?

Mr. McCAY.—No. The Committee may decide, in dealing with clause 6, that foreign commercial trusts should be deemed guilty until their innocence is proved; but there are cases in which that principle should not apply, and the case of our rural producers is one of them.

Mr. DUGALD THOMSON.—With whom could such combinations compete?

Mr. McCAY.—I suppose that such a combination could compete with farmers who were not in the combination. The Bill seems to make it possible for some of those engaged in Australian industries to combine to destroy all others so engaged, and, having done so, to be charged with having destroyed an Australian industry, when in point of fact they had destroyed only certain persons or firms engaged in it. Such combinations are a mischief which the Government seem to have aimed at, but which I do not think they will succeed in hitting, though perhaps they should be hit.

Mr. WATKINS.—If the amendment is agreed to at this stage, it will give those to whom it applies preferential treatment.

Mr. McCAY.—It provides in effect only that combinations of farmers shall not be subject to the disability of having to prove their innocence on the charge of desiring to destroy an Australian industry; but that the responsibility of proving their guilt will rest on the Crown.

Mr. WATSON.—The amendment means more than that.

Mr. McCAY.—I do not think that it means anything more, and it certainly does not go far enough to have rightly called forth the fulminations of the honorable member.

Mr. CARPENTER.—It is an attempt to exempt those to whom it applies from the provisions of the Bill.

Mr. WATSON.—That was the argument of the honorable member for Echuca.

Mr. McCAY.—The amendment could not do that. The honorable member for Echuca may intend to move other amendments to effect that object, but so far as I can see, the present amendment means only what I have said. I think that all this flurry has arisen because of a fear that we may succeed in carrying it.

Mr. WATSON.—There is no chance of that.

Mr. McCAY.—As the honorable member for Bland says that it is not to be carried, I know that there is no chance of carrying

it, and, therefore, I shall say no more on the subject.

Sir JOHN QUICK (Bendigo) [9.39].—I agree with the honorable and learned member for Corinella that the only effect of adopting the amendment would be to relieve the combinations of persons with which it deals of the onus of proof imposed by clause 6, though I believe it to be the intention of the honorable member for Echuca to go much further, and to exempt farmers and others from the operation of the Bill. If that is his intention, he should move the insertion of a provision to the effect that the measure shall not apply to persons engaged in agricultural, viticultural, horticultural, or dairying pursuits. In my opinion, the question whether farmers should be relieved of the onus put upon commercial trusts by clause 6, is properly discussable when we come to that clause. The suggestion that there should be no exemptions from the Bill is a very important one. The only provisions which I think will be workable, and regard as desirable or necessary at the present time, are those of clauses 4 and 5, relating to combines and trade agreements. I do not think that the provisions relating to monopolies and dumping will be effective. In my opinion, those who advocate their enactment will find them delusive, and will be grievously disappointed by them. But I strongly support clauses 4 and 5, read in conjunction with the interpretation clause. There are, I believe, sufficient facts before the Parliament and the country at the present time to justify legislation for the prevention of combines and trade agreements which may be detrimental to the public, or calculated to injure or destroy Australian industries. I shall support such legislation wholly and sincerely, and I think that there should be no exemptions from its operations, but that it should apply all round—to coal combines, to shipping combines, and to combines of all descriptions. It would be very unfair to make the anti-combine clauses of the measure apply to the harvester and reaper and binder combines, and not to other combines that might be injurious to the public, or in restraint of trade. When honorable members have before them the evidence taken by the Tariff Commission as to the effect of these combines among those engaged in the harvester and reaper and binder trade, locally as well as overseas, they will see the full justification for the provisions of which I am speaking.

Mr. JOHNSON.—We have asked for that evidence, and desired that the consideration of the measure should be postponed until we could read it.

Sir JOHN QUICK.—When honorable members get that evidence, they will find that trade agreements in respect to harvesters and reapers and binders were in force for many years. Such an agreement, fixing the price of reapers and binders sold in this country, existed for twelve years, and must have been detrimental to the public, because its effect was to increase prices. Although the free importation of reapers and binders was allowed, there was no free-trade in those machines. That agreement was followed by another, which lasted for seven years. Then, in 1904, there was a harvester agreement to which the following persons and firms were parties:—Hugh Victor McKay, Nicholson and Morrow, Robinson and Company, the Massey-Harris Company, and the International Harvester Company, the secretary of the combine being Mr. L. H. Cowles, the Victorian manager of the International Harvester Company. That combine fixed the price of harvesters, and, in some cases, raised it from £70 to £81. It existed for upwards of two years, and was not broken down until the 5th October, 1905, when a deputation waited on the Minister of Trade and Customs, asking for increased duties, and the International Harvester Company withdrew. Therefore, I support the anti-combine clauses. I think that they should be passed, and, in the interests of the public, made as strong and clear as possible.

Mr. ISAACS (Indi—Attorney-General) [9.45].—I hope that the amendment will not be accepted. When we are legislating in the interests of the whole community, as we assert that we are, we ought to make no exceptions. As I said at an earlier period this evening, we should not make rules for combinations of farmers different from those which would apply to combinations of boot manufacturers. The amendment proposed by the honorable member for Echuca would injure the farmers, because it would permit of a few big farmers combining against the smaller farmers. The honorable member, in effect, says, "I am going to look after the big farmers, but not after the small farmers."

Mr. MCCOLL.—That is very unfair.

Mr. ISAACS.—It is not unfair, and I shall show the Committee what the amend-

ment would mean. The provision would apply to clause 4. If a combination of big farmers united together, and surrendered their individual powers of voting, under an agreement by which a majority could coerce a minority, with the object of crushing out other farmers, why should we countenance any such nefarious enterprise, and fail to protect those who are innocent?

Mr. MCCAY.—Does the Attorney-General say that the amendment would prevent clause 4 from applying to a combination of farmers?

Mr. ISAACS.—I say that it would not prevent clause 4 from applying, but it would prevent the Bill from applying to a combination of farmers in the same way that it would apply to any other combination under like circumstances. That is what I say.

Mr. MCCAY.—That is not what the Attorney-General did say.

Mr. ISAACS.—If there were a combination of harvester makers against other harvester makers, the very fact that it was a combination designed to crush industry would be taken as *prima facie* evidence that it was acting unfairly. But, according to the amendment of the honorable member, if a few big farmers united and put their capital together with the design of crushing out other farmers, it must not be presumed that they were acting unfairly. I say that it ought to be presumed. Any combination formed with the idea of crushing out Australian industry should have placed upon it the burden of proof that it was acting fairly. The parties would not be called upon to prove their innocence. The prosecution would have to prove that the combination had been formed with the design of crushing out an Australian industry. And when that had been shown, in addition to the fact that there was a combination, would it not be very little to ask that the combination should be called upon to justify the competition? That is all that the combine would have to do. All the other facts would have to be proved against them affirmatively, and it is utterly wrong to say that the burden of proving innocence would be placed upon the defendants. If it is once proved that a combination has been formed, and that the members of it have surrendered their own personal opinions and discretion to a trust, we contend that the *prima facie* inference is that the competition is unfair. If that is a wrong principle to lay down,

paragraph *a* of clause 6 should be struck out altogether. I shall not complain if the majority of the Committee are against us in that matter. If the principle is wrong, it is equally improper to apply it to harvester or tobacco combinations, or to combinations of farmers. It is either right or wrong. I can foresee that great combinations might be formed in the primary industries which would be so powerful that they could monopolize the product of an industry and reduce the price which would be obtainable by the single-handed farmer. If the principle is wrong, it should not be applied at all. I represent a great many farmers, and as far as I know they do not wish to stand before the Australian community in a position different from that occupied by any other section. They do not want anything but fair play. They certainly do not desire that other persons shall be punished for acts which, if performed by them, would not draw down any penalty.

Mr. JOSEPH COOK (Parramatta) [9.52].—May I respectfully suggest that there is a very great distinction between men engaged in the primary industries and those engaged in secondary industries. There is all the difference in the world between a man who is growing grain, or cabbages, or potatoes, or fruit, away in the country, and one who is manufacturing harvesters on a big scale in the city. The supply of harvesters could be controlled in such a way as to bring about a monopoly, but milk or butter production could not be cornered.

Sir WILLIAM LYNE.—Yes, they could, indeed.

Mr. JOSEPH COOK.—I say that they could not. So long as individuals own little plots of land, and grow grain or other produce, they cannot be prevented from coming into the market, or making their livelihood. There are no such possibilities in the way of restraint of trade or commerce to the detriment of the public in connexion with the primary industries as exist in the secondary industries.

Mr. WATSON.—It may not be as easy, but it can be done.

Mr. JOSEPH COOK.—Anything is possible; but we have to consider some of the probabilities of the case. In order to arrive at a proper conclusion, we must consult the experience of the past. The honorable member for Bland has told us that,

although the Arbitration Act in New Zealand was intended to apply to every farmer, not a single agriculturist has up to the present had anything to do with the Court. Is not that the best possible proof that there was no necessity to bring them within the operation of the Act?

Mr. WATSON.—Not at all. It is quite possible that the fact that they have been brought within the scope of the Act has rendered it unnecessary to appeal to the Court.

Mr. JOSEPH COOK.—It is easy to string any number of possibilities together, but we have to deal with probabilities. This is not the final law on the whole question. Suppose that a corner were formed with a view of creating a monopoly in connexion with any of the producing interests. Would it not be possible for us to pass a law to apply preventive measures? The honorable member is willing that those engaged in the primary industries shall be exposed to the risk of being dragged to the law courts and having thrown upon them the onus of showing that they are not acting illegally in growing their grain.

Mr. CARPENTER.—That is utter nonsense.

Mr. JOSEPH COOK.—It is all very well for the honorable member to say that. He is the most self-satisfied man in the Chamber, and does nothing but interject. A measure of this kind aimed at the great industrial monopolies which can be controlled to the detriment of the community should not be stretched to the extent of dragging in all the primary industries. The Attorney-General stated that the Government purposely made the Bill wide. They are making it wide with a vengeance. I should like to know why the agricultural population should be exempt from the operations of the Arbitration Act, and not be placed beyond the application of this much more drastic legislation. This is a matter of controlling not merely the conditions of employment, but also the prices of commodities. The measure goes right down to the foundations of our industrial enterprises, and there are a thousand more reasons why the farming population should be exempted from its provisions than could be urged in favour of placing them beyond the scope of our arbitration laws. The great outstanding fact in favour of the farmer is that the product of his enterprise cannot be monopolized in the same way as the products

of secondary industries. We cannot bring about a corner in the growing of wheat or the production of milk, butter, or cheese. The products of the secondary industries can be readily cornered, because of the scale upon which they must be manufactured.

Mr. WATSON.—There is a corner in apples in Tasmania, and there was a corner in maize in Sydney.

Mr. JOSEPH COOK.—Does the maize corner operate now. I believe that it did not succeed?

Mr. WATSON.—Oh, yes, it did.

Mr. JOSEPH COOK.—I am otherwise informed.

Mr. WATSON.—It succeeded for a considerable time.

Mr. JOSEPH COOK.—But it does not exist now. Are we to busy ourselves in passing Acts to meet any possibilities that may occur in our ordinary industrial life? The whole thing is preposterous. If an evil exists, by all means let us apply our legislation to it, but do not let us pass measures, such as that before us, embracing the whole of the operations of the community in the primary as well as the secondary industries. We should not make a drag-net of our legislation on the off-chance that we may collar a man and punish him. We seem to be setting ourselves up as a kind of industrial inquisition. We are going about seeking whom we may devour—trying to find some one whom we can drag within the reach of our legislation. I contend that we are prostituting the powers conferred upon us by the Constitution, and entirely ignoring the spirit in which it was framed. I trust that the honorable member will persevere with his amendment.

Mr. GLYNN (Angas) [10]. — I really do not see how this Bill can touch farmers or combinations of farmers. Certainly if a combination of farmers were formed with a view to knocking out other farmers, there would not be much harm done to the community. How upon earth could they destroy by production the competition of other farmers, except by benefiting the States? The bigger their production the better it would be for the States, and if a surplus were created it would be exported. Of course it may be said that a corner might be established in the products of the farming industry, but if so, it would prevent those products from getting into the stream of Inter-State commerce. If they did not get there the corner would not come under the

operation of this Bill. Thus, unless a corner were established extending beyond the limits of one State the measure could not affect it.

Mr. ISAACS.—That is the only case in which it would affect such a corner.

Mr. GLYNN.—I doubt very much whether the Bill would touch it even then. In that connexion, the Attorney-General must recollect that the Arbitration Act has not yet been tested. A combination of farmers for the purpose of knocking out other farmers is inconceivable.

Mr. WATSON.—Then there is no necessity for this amendment?

Mr. GLYNN.—I do not think that there is. I do not believe that it matters very much whether the amendment is incorporated in the Bill or not. As the measure cannot apply to the farming industry, we might as well at once declare that it was never intended to apply to it.

Mr. LEE (Cowper) [10.2].—I trust that the amendment will not be withdrawn. We are all aware that since the Butter Commission submitted its report the farmers in New South Wales and Victoria have been forming co-operative companies and disposing of their own produce. In New South Wales nearly two-thirds of their produce is being sold in that way. They have established these companies for the purpose of raising the quality of their commodities and of securing better prices. But it sometimes happens that they cannot get rid of all their produce in the State in which they are resident, and that butter, for example, may be realizing 1d. per lb. more in Victoria than it is commanding in New South Wales. In that case they naturally ship their butter here. But under this Bill if any such action were taken, they would at once be charged with bringing down the price of butter in Victoria.

Mr. ISAACS.—The amendment would not touch any operations of that character.

Mr. LEE.—The farmers in Victoria might declare that the New South Wales farmers were acting in restraint of trade, and might thus bring them under the provisions of the Bill.

Mr. ISAACS.—With the design of crushing the Victorian farmers?

Mr. LEE.—The New South Wales farmers might not have that design, but it would be charged against them. Again, we can easily conceive that when there was a surplus of produce in the eastern States, a large quantity might be exported to

Western Australia, where it might realize a lower price than that at which it could be produced in the home market. In that case the exporters would be accused of endeavouring to reduce the values of commodities in the Western Australian market.

Sir WILLIAM LYNE.—Nonsense.

Mr. LEE.—It is not nonsense. These matters require consideration, and farmers have a right to be exempted from the provisions of the Bill, unless they combine for the purpose of injuring trade or of crushing an industry.

Mr. ISAACS.—That is the only case in which it will apply.

Mr. LEE.—From the present trend of our legislation, I consider that the time is not far distant when a man will be required to consult the Minister as to whether he can get married.

Mr. McCOLL (Echuca) [10.5].—My object in moving the amendment was to secure to the farmers the right to combine for the purpose of securing a fair price for their products. I have previously instanced the case of the Mildura trust, which might easily come within the scope of this Bill. If any one chose to bring it before the Court, it might possibly find an adverse Attorney-General, or Minister of Trade and Customs, or Comptroller-General, who would decide against it, with the result that its industry would be ruined.

Mr. FRAZER.—The case would have to go before a jury.

Mr. McCOLL.—I have stated my object in submitting the amendment. It is not fair for the Attorney-General to say that I am acting in the interests of a few large farmers.

Mr. ISAACS.—I did not say so.

Mr. McCOLL.—That is the honorable and learned gentleman's usual method of attempting to discredit those who are opposed to him. If the amendment is not quite upon right lines, it can be further amended. I intend to take a division upon it, with a view to showing whether the sense of the Committee is with the farmers or not. The leader of the Labour Party, when he represented a farming constituency, accepted a similar proposal, but now that he intends to contest a city electorate he speaks in a very different manner.

Mr. WATSON (Bland) [10.8].—I wish to say that the statement of the honorable member for Echuca is absolutely incorrect. I cannot apply to it any stronger term in

this Committee, but, as a matter of fact, I did not accept the proposal to exempt farmers from the operation of the Arbitration Act. I fought the proposal, as the honorable member ought to know. I fought it when I was representing a farming constituency, and I advocated the inclusion of farmers in the Arbitration Bill when I represented an agricultural electorate in the New South Wales Parliament. In a number of other instances to which I might allude, I have declined to encourage the farmers in my district to look for any special exemption from the laws of the State. They have never asked for it, and I have yet to learn that they need a special champion in this House to seek for them privileges which are not extended to other classes of the community. I do not believe that the farmers will thank the honorable member for his pretended sympathy with them and for practically charging every one of them with having criminal potentialities, from which he has to save them. According to his own showing, if it were not for him, every one of his constituents might be in gaol. If that is his estimate of them he is welcome to it.

Mr. STORRER (Bass) [10.10].—I opposed the proposal to exempt farmers from the operation of the Arbitration Bill, and, therefore, I cannot be accused of inconsistency upon the present occasion. I have always opposed class legislation, and I regard the amendment purely as an attempt in that direction. I represent not only farmers, but the residents of a city, and I find that one class cannot get on without the assistance of the other. It is a reflection upon the manufacturers and importers to urge that it is necessary to pass a law to punish them for their misdeeds, whilst exempting the farming portion of the community from the same penalties. I am aware that there have been combinations on the part of farmers and dairymen, but they have not been to the detriment of the public, and therefore would not come within the scope of this measure. It is a mistake to legislate specially for one class, and therefore I oppose the amendment.

Mr. KELLY (Wentworth) [10.12].—If there be any question of consistency involved in this matter, I think that the leader of the Labour Party and the honorable member for Bass can fairly claim to have been consistent. But there are other honorable members opposite who did support the proposal to exempt the farming

classes from the operation of the Arbitration Bill.

Mr. CARPENTER.—There is no parallel between the two cases.

Mr. KELLY.—The claim that there was did not originate with me. The honorable member for Bass appeared to think that there was an analogy between the two. But I did not rise, however, with the object of drawing attention to the painful position occupied by any honorable member opposite. I rose chiefly to ask a question which has a very serious bearing upon this matter. The point which I desire to put to the Attorney-General is that it will be difficult for any industry of the agricultural class in Australia to compete with any similar industry in the Commonwealth if the words "any Australian industry," which appear in clauses 4 and 5, mean the whole of the industry, and not merely a portion of it. I ask the Attorney-General what is the exact meaning of those words.

Mr. McWILLIAMS (Franklin) [10.13].—I have been waiting patiently for some honorable member to enlighten us regarding the possibility of this much-dreaded combination of farmers. A great deal of nonsense has been talked about a possible combination of farmers to ruin their own industry. In connexion with the coal industry and the manufacture of agricultural implements, I would point out that the trade is under the control of a few individuals.

Mr. CARPENTER.—What about sugar and tobacco?

Mr. McWILLIAMS.—I do not regard the Colonial Sugar Refining Company as being engaged in a primary industry. I class that industry distinctly as a secondary one, and, further, it is one which would not come within the operation of this amendment.

Mr. ISAACS.—Under the amendment the sugar-growers of Queensland might combine against all the rest of the sugar-growers of Australia.

Mr. McWILLIAMS.—Does the Attorney-general seriously ask the Committee to suppose that the whole of the cane sugar-growers in Queensland and New South Wales would enter into a combination to ruin another portion of that industry?

Mr. ISAACS.—The amendment would enable the Queensland cane sugar-growers to try and ruin the beet sugar-growers elsewhere.

Mr. McWILLIAMS.—Does the Attorney-General say that the object of this Bill is to prevent a combination of the Australian sugar-growers from ruining the beet sugar-growers of Germany?

Mr. ISAACS.—The honorable member does not think that he is talking in Berlin.

Mr. McWILLIAMS.—The honorable and learned member knows that practically there is no beet sugar grown in Australia, and, therefore, if he is going to prevent beet sugar from competing with Australian cane sugar, it must be beet sugar grown in another part of the world. The whole history of combinations, if it has shown one thing, has shown that every trust which has tried to make a corner in a perishable article has brought ruin and destruction upon its members. In the United States millions and millions of money have been spent in an attempt to corner wheat, but it has always failed. The attempt was made, not by the farmers themselves, but by the trustmongers in the cities. I would ask the Minister of Trade and Customs, or the Attorney-General, if, in Australia or outside, there is any record of a combination of farmers having deliberately set themselves to work to ruin other farmers in order that they might receive an advantage from the destruction of an industry?

Mr. ISAACS.—This amendment assumes that there will be, and that they will have no regard for the other farmers who will be ruined.

Mr. McWILLIAMS.—I gather exactly what the honorable member means; but if I want to find any one who can teach farmers how to work, or teach the representatives of farmers what they want, I shall go to an honorable member who knows absolutely nothing about the matter, and who does not represent a farming constituency.

Mr. WATKINS.—If they will not combine, why move the amendment?

Mr. McWILLIAMS.—There are certain little combinations among the primary producers which are made really in their own interest, and which are not injurious to the public. We have a combination of co-operative companies, and I am hopeful that the whole system of co-operation will be enormously extended amongst our farmers. I think that anything which tends to prevent co-operation amongst the farmers is not a step to benefit their interests or to promote the interests of all Australia. So

long as they are not seeking to take an undue advantage of the public or of any one else, all these combinations or arrangements must be mutually beneficial.

Mr. ISAACS.—We all agree to that.

Mr. CARPENTER.—The Bill will not touch them at all.

Mr. McWILLIAMS.—Taking the Bill as it stands, it places it in the power of any one to charge any such combination with a criminal offence, and the onus of proving his innocence is thrown upon the defendant.

Mr. ISAACS.—That is not correct.

Mr. McWILLIAMS.—I must not discuss clause 11, but if the Attorney-General will tell me that under that clause it will not be possible for an individual to lay a charge against a combination, and that its members will not be treated as criminals until they can prove their innocence, then I cannot understand plain English when it is in front of me.

Mr. ISAACS.—I can say that it is not so, as clause 11 has nothing to do with criminal matters.

Mr. McWILLIAMS.—But the clause puts it in the power of any person to lay a charge against a combination of persons. I care not whether it is a co-operative sugar company or a co-operative cream company or a co-operative shipping company, the whole onus of proof will be thrown upon them, and they will be treated practically as criminals until they are in a position to establish their innocence.

Mr. ISAACS.—The honorable member is quite wrong about that.

Mr. McWILLIAMS.—I do not believe that it was ever contemplated in any part of the world that a Bill of this kind would deal with primary producers, and, therefore, I shall support the amendment.

Question—That the words proposed to be inserted be so inserted—put. The Committee divided.

Ayes	...	...	11
Noes	...	...	26
Majority	...	...	15

AYES.

Cook, J.	Skene, T.
Glynn, P. McM.	Smith, B.
Knox, W.	Wilson, J. G.
Lee, H. W.	<i>Tellers:</i>
Liddell, F.	Kelly, W. H.
McWilliams, W. J.	McColl, J. H.

[34]

NOES.

Carpenter, W. H.	Page, J.
Chanter, J. M.	Spence, W. G.
Chapman, A.	Storror, D.
Culpin, M.	Thomson, D.
Deakin, A.	Thomson, D. A.
Ewing, T. T.	Tudor, F. G.
Forrest, Sir J.	Watkins, D.
Frazer, C. E.	Watson, J. C.
Groom, L. E.	Webster, W.
Higgins, H. B.	Wilkinson, J.
Hutchison, J.	
Isaacs, I. A.	<i>Tellers:</i>
Lyne, Sir W. J.	Cook, Hume
McCay, J. W.	Mauger, S.

PAIRS.

Gibb, J.	Mahon, H.
Lonsdale, E.	Hughes, W. M.
Fuller, G. W.	Phillips, P.

Question so resolved in the negative.

Amendment negatived.

Clause agreed to.

Progress reported.

SUPPLY BILL (No. 1).

Assent reported.

ADJOURNMENT.

NAMES OF ELECTORATES.

Motion (by Mr. DEAKIN) proposed—

That the House do now adjourn.

Mr. GROOM (Darling Downs—Minister of Home Affairs) [10.29].—When the question of the redistribution of seats was before the House, the question of naming some of the constituencies was raised, and I told honorable members that I would give them an opportunity to make any suggestions for the naming of constituencies before the proclamation was issued. I gave instructions, and I now have everything in readiness to proclaim the districts. In accordance with my promise, I desire to mention to the House the names of the electorates affected which require renaming. In New South Wales it is proposed to call Division 3, which is a Sydney electorate, the "Cook" electorate, and to name Division 10 the "Nepean" electorate. Division 23, which is the new electorate constituted by combining Bland, Orange, and Canobolas, it is proposed to call "Killara," which is the native name of the local river, and was, I am informed, the original name suggested. In Victoria, it was proposed originally to call Division 3 "Clifton Hill," but as there is a State electorate of Clifton

it has been suggested that the name for the division should be "Batman."

Mr. TUDOR.—There is no Clifton electorate in Victoria; Clifton Hill is in either Jika Jika or Fitzroy.

Mr. GROOM.—I made inquiries, and was informed officially that there was a Clifton electorate in the State. Then, as to Division 4, that has been named "Mari-byrnong," and, as no part of South Melbourne is in the old electorate, it is proposed to call Division 8 "Fawkner." Division 20 it is proposed to call "Laanecoorie."

Mr. McCAY.—Why "Laanecoorie" ?

Mr. GROOM.—I am informed that 60 per cent. of the electors are in the present electorate of Laanecoorie.

Mr. McCAY.—Why not name the division "Talbot."

Mr. GROOM.—"Laanecoorie," which is the native name, seems the more appropriate.

Mr. McCAY.—It is not the more appropriate name.

Mr. GROOM.—The honorable member may, of course, hold a different opinion from myself. In Queensland, it is suggested that the present constituency of Maranoa shall be called "Amooba."

Mr. PAGE.—I prefer "Maranoa" to "Amooba."

Mr. GROOM.—Then, as to the present constituency of Kennedy, in Queensland, it is proposed to name that "Maroomba."

Mr. PAGE (Maranoa) [10.33].—As I have already said, I much prefer "Maranoa" to "Amooba."

Mr. GROOM.—I understood it was the desire of the honorable member to change the name of the Maranoa electorate.

Mr. PAGE.—Well, I prefer "Maranoa" to "Amooba." The Minister might as well propose to call the electorate a boomer—because it is "Abooma" of an electorate. I advise the Minister to leave the name "Maranoa."

Mr. McCAY (Corinella) [10.34].—As an elector of the division proposed to be named Laanecoorie, and only as an elector, I admit that 60 per cent. of the electors in the old division of Laanecoorie are in the new division, while only 40 per cent. of the

electors represent the old division of Corinella. But this electorate, while not coterminous with the county of Talbot, is more coterminous with that county than, I suppose, any other electorate with any other county. The Commissioner proposed to call the division "Talbot," which, undoubtedly would be the proper name. I do not see that the presence of 60 per cent. of the electors of the old division of Laanecoorie justifies the Minister in giving the new electorate the same name. As a fact, the new electorate has as much right to be called Corinella. This matter does not now affect me as a member, though it might have done so; but I think that the Minister is yielding to an unwise idea in departing from the name suggested by the Commissioner. The new division is not the old electorate of Laanecoorie, and it is a misnomer to retain that name. Laanecoorie is a small spot at the extreme end of the new electorate, and the county of Talbot, which contains three or four large towns, such as Castlemaine and Maryborough, is entitled to have its claims recognised. I do not wish to make any suggestions which I ought not to make, but I should like to know why the name has been made Laanecoorie? Is it simply because it contains 60 per cent. of the old Laanecoorie electors, and only 40 per cent. of the electors of Corinella?

Mr. GROOM.—Laanecoorie seems to be a suitable name.

Mr. McCAY.—It is not a suitable name. The new electorate is not the old electorate of Laanecoorie, but practically the county of Talbot, if any regard is to be paid to geographical conditions. I know that many of the electors were, like myself, satisfied with the proposal of the Commissioner, and will not be satisfied with the proposal of the Government.

Mr. TUDOR (Yarra) [10.36].—While agreeing with some of the names suggested by the Minister, and with the desirability of adhering to native names wherever possible, I do not think it wise to change the proposed name of "Clifton Hill" to "Batman." There is no State electorate of the name of Clifton, although there is a division of Clifton in the State electorate of Fitzroy. As it is proposed to change from one English name to that of one of the early settlers, it would be as well to retain the name by which the district is known. The electorate which it

is proposed to call "Batman" consists of Jika Jika, and part of Fitzroy, and the whole of the Collingwood electorate.

Mr. LIDDELL (Hunter) [10.39].—I have a suggestion to make in regard to the naming of the Hunter electorate. These names very often have old associations, which carry us back many years, and the Hunter River district was one of the earliest settled in the whole of the Colonies. It has always been known, as long as I can recollect, not as "Hunter," but as "The Hunter." To show how that idea is impressed on the people, I may state that an elector of mine the other day said he was of opinion that the letters "M.H.R." stood for "Member for the Hunter River." While I do not believe in double-barrelled names, but rather in shortening them as much as possible, I think it would be much more appropriate if this electorate were called "The Hunter."

Question resolved in the affirmative.

House adjourned at 10.40 p.m.

House of Representatives.

Wednesday, 4 July, 1906.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

RUMOURED RETIREMENT OF MR. DEAKIN.

Mr. MAUGER. — Has the Prime Minister had his attention directed to the latest kite flown by the free-trade organ, apparently with a view to discrediting the Ministry, and causing consternation amongst the Protectionist Party in the country? Is he further aware that the article alluded to not only appears in the *Argus*, but is also placarded on its news boards in the following sensational fashion:—

MR. DEAKIN—RUMOURS OF RETIREMENT.

Is there any truth in this mischief-making story?

Mr. DEAKIN.—It is true that two years ago, when a private member, I had decided upon retiring at the close of this Parliament, and was actually seeking in Ballarat for a suitable successor. Since then unexpected obligations have been cast upon

me which have entirely altered that purpose. Except by the consent of my colleagues and my party, with both of whom my relations are most cordial and satisfactory, I do not now feel free to take any such step. The rumour appears to have arisen owing to some replies of mine to questions recently addressed to me by old friends referring to appointments here and in London about to be authorized by Parliament. My answer has been that those positions should be filled by better men, and in the event of my retirement from public life I am not a candidate for any of them.

Mr. SALMON.—Was a confirmation or denial of the rumour asked for by the representative of the newspaper in which it is published?

Mr. DEAKIN.—No.

WARRNAMBOOL FIELD ARTILLERY.

Mr. WILSON.—I wish to know from the Minister representing the Minister of Defence, whether a report concerning the dismissal of certain men from the Warrnambool Field Artillery has yet been received, and, if so, whether it has been considered. If it has been considered, is it intended to cancel the discharges, and to reinstate the men?

Mr. EWING.—A report has been received, and is now under the consideration of the Minister and the Board; but no decision has yet been arrived at. When a decision is arrived at, the honorable member will be informed as soon as possible.

PARADE OF TROOPS AT OPENING OF VICTORIAN STATE PARLIAMENT

Mr. BAMFORD.—Is the Minister representing the Minister of Defence yet in a position to reply to the questions which I asked on Thursday last in reference to the parade of troops at the opening of the Victorian State Parliament?

Mr. EWING.—Yes, and I have been furnished with the following answers:—

1. All Guards of Honor parade with fixed bayonets. This is in accordance with Regulations.
2. Ball cartridges were not issued.

DEPORTATION OF KANAKAS.

Mr. DUGALD THOMSON.—Has the attention of the Prime Minister been drawn to the report of the Kanaka Commission, published in to-day's newspapers, and

does he, in view of the important recommendations therein contained, and the necessity for giving early attention to this question if the islanders are to be returned to their homes without harm to themselves, intend to have the matter settled promptly?

Mr. DEAKIN.—Through the courtesy of the Queensland Government I obtained a copy of the report last night. It will receive my immediate personal attention, and is now being analyzed. A communication on the subject will probably be made to the House.

EX-DRIVER FAY.

Mr. KELLY.—Has the Cabinet yet considered Driver Fay's case, and, if so, has it come to any decision in regard to it?

Mr. EWING.—That and other similar cases are now being considered by the Minister of Defence, in order to establish, if possible, a uniform system for dealing with these matters.

AUSTRALIAN COINAGE.

Mr. CROUCH.—Can the Treasurer make a statement to the House as to the position of the Australian coinage question, the settlement of which has now been pending for about four years?

Sir JOHN FORREST.—I think that it will be convenient for me to deal with that matter with others when delivering my Budget.

AUSTRALIAN POLITICIANS.

Mr. STORRER.—Has the Prime Minister read the extract from the *Christian World*, published in yesterday's *Age*, containing statements made by Dr. Bevan concerning the politicians and people of Australia in general? If so, will he take means to contradict these slanderous statements?

Mr. CROUCH.—The *Herald* of the night before was much more severe.

Mr. DEAKIN.—I have read *in extenso* the article in the *Christian World*, but it is not incumbent upon the Government to contradict the statements of every Australian who puts his personal and party views before the community.

SALE OF STAMPS.

Mr. WILKINSON.—Will the Postmaster-General lay on the table a copy of the schedule apportioning the commission paid to the States Railway Commissioners for the sale of stamps by railway station-masters?

Mr. AUSTIN CHAPMAN.—I shall be pleased to lay on the table at the earliest moment possible all available information.

TARIFF SUPERVISION.

Mr. SKENE asked the Prime Minister, *upon notice*—

1. Whether, in view of the fact that no less an authority on the fiscal question than Sir George Turner has expressed the opinion that "the moment the Tariff Commission touches one line it is impossible to say where its labours will terminate," and there being a strong feeling amongst the business portion of the community that a general revision of the Tariff, with its inevitable accompaniment of a serious dislocation of trade, is not desirable, he will consider the advisableness of appointing a permanent body to exercise a continual supervision over the operations of the Tariff and cognate acts, furnish Parliament with periodical reports as to any evidence of existing anomalies, or such as from time to time may come to light, any evidence of dumping or existence of combines prejudicial to trade or industry, and generally to keep Parliament informed in all matters relating thereto?

2. Whether such work might not form part of the duties of an Inter-State Commission; and

3. Whether the time has not arrived when the question of the appointment of an Inter-State Commission should be considered?

Mr. DEAKIN.—The answers to the honorable member's questions are as follow:—

1 and 3. So far as the present Tariff is concerned, the Tariff Commission is just completing a thorough examination of the whole of its provisions, so that the question must be taken as relating to the future. When the Tariff Commission has presented all its recommendations and Parliament has thoroughly revised the Tariff, the appointment of such a body, making periodical reports upon existing anomalies or other matters prejudicial to Australian trade or industry, will be well worth consideration.

2. It would then have arrived, though the provisions of the Constitution as to the appointment of and tenure of the Inter-State Commission have to be remembered, seeing that its functions would require to extend to other than fiscal matters.

ARMY EXAMINATIONS.

Mr. KELLY asked the Minister representing the Minister of Defence, *upon notice*—

1. Is it not a fact that, in the Imperial Army, officers seeking responsible positions must have passed an examination in "tactical fitness to command"?

2. Is it not a fact that for positions in the Imperial Service of equal responsibility to the Inspector-Generalship of the Australian Forces, candidates would have to qualify by passing this examination?

3. Have any Australian officers passed this examination?

4. If so, who are they?

Mr. EWING.—I am informed—

1. Many responsible, and some of the highest positions in the Imperial Army are held by officers who have not passed an examination in "tactical fitness to command." That is the examination laid down for appointment as Second in Command, or to the rank of lieutenant-colonel, and is the final examination required of any officer. Similar examinations are provided for officers of the Commonwealth Military Forces.

2. The only position in the Imperial Service corresponding to that of the Inspector-General of the Military Forces of the Commonwealth is that of Inspector-General of the Imperial Army, now held by H.R.H. the Duke of Connaught, and it is understood that he has not passed the examination referred to, but on this point I regret I cannot adequately inform the honorable member, as it has only been in operation since about 1899, previous to which the examination for substantive rank of Major was the final examination in both the Imperial Army and the Military Forces of the various colonies of Australia.

3. Yes.

4. As regards the Permanent Forces, the following officers have qualified under the Commonwealth Regulations:—

Major J. W. Parnell.

Major and Brevet Lieut.-Col. H. G. Chauvel, C.M.G.,

Major V. C. M. Sellheim, C.B.

Major J. G. Legge.

Major and Brevet Lieut.-Col. G. L. Lee, D.S.O.

Major W. G. Patterson.

As regards the Citizen Forces, particulars can be supplied later, if so desired. In a letter received from Lieut.-Col. Bridges, dated 31st May, that officer states that he was allowed to present himself for examination as to tactical fitness to command, and that he has received the certificate under Appendix VIIIa. of the King's Regulations.

There was no necessity for Lieut.-Col. Bridges to submit himself for examination as he is already a substantive lieutenant-colonel.

TELEGRAPH LINE REPAIRERS.

Mr. TUDOR asked the Minister of Home Affairs, *upon notice*—

1. Whether the Public Service Commissioner is going to grade the telegraph line repairers?

2. If so, is there to be a practical examination to decide as to those who will be placed in the first grade?

Mr. GROOM.—The Public Service Commissioner has furnished the following reply:—

1. The Commission is of opinion that certain classes of line-repairing work are worth a higher maximum pay than that provided, and has recommended that the maximum be increased.

2. No. The most suitable and efficient will be promoted.

AUSTRALIAN INDUSTRIES PRESERVATION BILL.

In Committee: (Consideration resumed from 3rd July, *vide* page 977).

Clause 4—

1. Any person who wilfully, either as principal or as agent, makes or enters into any contract, or is a member of or engages in any combination to do any act or thing, in relation to trade or commerce with other countries or among the States—

(a) in restraint of trade or commerce to the detriment of the public; or

(b) with the design of destroying or injuring by means of unfair competition any Australian industry the preservation of which in the opinion of the jury is advantageous to the Commonwealth, having due regard to the interests of producers, workers, and consumers,

is guilty of an indictable offence.

Penalty: Five hundred pounds, or one year's imprisonment, or both; in the case of a corporation, Five hundred pounds.

2. Every contract made or entered into in contravention of this section shall be absolutely illegal and void.

Mr. DUGALD THOMSON (North Sydney) [2.43].—This is one of the most important clauses in the Bill, and, as a preliminary to its discussion, or the discussion of any amendment which may be proposed, I should like the Minister to explain the intended effect of paragraph *b*, which, taken in conjunction with the first portion of the clause reads—

Any person who wilfully, either as principal or as agent, makes or enters into any contract, or is a member of or engages in any combination to do any act or thing, in relation to trade or commerce with other countries or among the States with the design of destroying or injuring by means of unfair competition any Australian industry the preservation of which in the opinion of the jury is advantageous to the Commonwealth, having due regard to the interests of producers, workers, and consumers, is guilty of an indictable offence.

Sir WILLIAM LYNE.—That is very explicit.

Mr. DUGALD THOMSON.—At first sight it might be supposed that the clause was intended merely to protect Australian industries from attack by outsiders.

Mr. ISAACS.—It is intended to protect them from attack either from within or without.

Mr. DUGALD THOMSON.—In that case, it would apply to any persons engaged in an Australian industry who might be regarded as engaging in unfair competition. For instance, if certain persons engaged in an Australian industry extending

beyond any one State were competing with another set of persons engaged in the same industry, would an inquiry be made as to the legitimacy of their operations?

Mr. HIGGINS. — I understand that a manufacturer may kill a rival, but not an industry?

Mr. DUGALD THOMSON.—Some remarks made by the Attorney-General last night have caused me to make my present inquiry. I desire to know whether it is proposed to deal with a competitor in an Australian industry, that is to say, to inquire whether his competition is fair or unfair.

Mr. ISAACS.—The scope of the clause would extend to such a case.

Mr. DUGALD THOMSON.—Then it would be boundless.

Mr. ISAACS.—If any one is doing an improper thing, whether he be engaged in an industry or out of it, he will be amenable to the law.

Mr. DUGALD THOMSON.—That is exactly what I want to know. If two firms were competing within an industry, would an inquiry be made into the fairness of the competition, which might have no effect on the industry, but might seriously affect one or other of the firms engaged?

Sir WILLIAM LYNE.—Does the honorable member refer to such a case as that mentioned by the honorable and learned member for Bendigo, namely, a combination of certain harvester manufacturers?

Mr. DUGALD THOMSON.—Yes. If certain harvester makers combined to compete against other harvester makers, would an inquiry be made as to the legitimacy of their operations?

Sir WILLIAM LYNE.—Yes, if there were any necessity for it.

Mr. DUGALD THOMSON.—Yes; but how is a decision, to be arrived at as to the necessity for an inquiry? Is an inquiry to be entered upon if it is shown that an industry is being injured, or merely on the ground that one firm, or set of firms, is carrying on unfair competition? Is it not necessary, under the clause as it now stands, to show that an industry is being injured: or is it merely requisite to prove that certain persons are operating with the design of injuring an industry?

Sir WILLIAM LYNE.—Their operations may injure the industry in which they are engaged, or some other industry.

Mr. DUGALD THOMSON.—If the clause means all that the Minister's statements seem to indicate, its operation will

extend into the ramifications of every business. Apparently, it will apply not only to the operations of persons outside the Commonwealth, but also to the actions of those within an Australian industry, even though there may be no injurious effects. A design to injure may be attributed to those who are operating within an Australian industry. In view of the powers which appear to be conferred by the clause, I should like to know, precisely, what the intention is. The clause may cover more ground than is intended.

Sir WILLIAM LYNE (Hume—Minister of Trade and Customs) [2.50].—I should have preferred to have an opportunity, before the honorable member spoke, to explain how it is proposed to amend the clause. I intend to omit the word "wilfully" in the first line, and to make it read in the second line "or continues to be a member of." Then in paragraph *a* I propose to strike out the words "in restraint of" and insert the words "with the intent to restrain." Then in paragraph *b* I propose to strike out the words "with the design of destroying or injuring" and to insert in lieu thereof the words "with the intent to destroy or injure." Further, I intend to strike out the words "in the opinion of the jury." The honorable member desires to know whether it is intended to take action in cases where certain manufacturers in an Australian industry are injuring another section of manufacturers, or the industry itself. So far as I can judge, in the event of certain manufacturers combining in any way to destroy others engaged in the same industry, to the ultimate injury of the public, their case could be dealt with under this clause. It is hardly likely, however, that such a case would occur. The honorable and learned member for Bendigo last night described a combination which had taken place among certain harvester manufacturers. If such a ring were formed with the design to destroy others engaged in the industry, I think that the combination could certainly be dealt with under the clause.

Mr. HIGGINS.—The Minister means that one manufacturer may not destroy another manufacturer.

Sir WILLIAM LYNE.—Not by forming a combination with others.

Mr. HIGGINS.—That would practically destroy all competition.

Sir WILLIAM LYNE.—There is a great difference between ordinary trade competition and such operations as would be engaged in by a combination backed up by large capital with the object of destroying or injuring others engaged in an industry, to the detriment of the public. Such an organization would gradually eat up all competitors, and ultimately destroy all competition. Such a case would be on a parallel with that of the International Harvester combine which is now introducing machinery into the Commonwealth. I had a case before me this morning which indicates that there is an attempt being made to prevent the introduction of boot-making machinery into the Commonwealth, and thus to injure the local industry.

Mr. DUGALD THOMSON.—The Bill would not touch such a case as that; the machinery is manufactured subject to a royalty.

Sir WILLIAM LYNE.—I am not referring to the case so far as it is affected by a royalty, but I am speaking of a combination which has been entered into with a view to injure an Australian industry. Such a case would come under the operation of the Bill.

Mr. DUGALD THOMSON.—Is it not complained that our boot manufacturers cannot obtain the machines?

Sir WILLIAM LYNE.—I am informed that the machines are in existence, and would be obtainable but for the intervention of a powerful combination. However, I do not wish to go into the details of that case. Where trade is being carried on between State and State, and an industry is being seriously interfered with by the operation of a certain section of those engaged in it, it is intended to interfere, but not to the extent indicated by the honorable and learned member for Northern Melbourne, namely, to the destruction of all competition. Where one manufacturer is competing with another in the ordinary way, no action will be taken, but the operations of an octopus combination which would ultimately destroy an industry would come within the scope of the clause.

Mr. GLYNN (Angas) [2.57].—The explanation of the Minister does not agree with the actual wording of the clause. We know that although Ministers are often actuated by the best of intentions, their administration is not attended by the best results. The operation of the clause would be far wider than has been indicated. The

Minister speaks about the clause applying to the operations of octopus-like trusts, but it would extend equally to individuals engaged in ordinary competition in an Australian industry. The tribunal that would be called upon to determine whether such competition was fair or unfair, and also whether the industry was one the preservation of which would be advantageous to the Commonwealth, would be, not the Minister, but a jury, which would not even be a special jury.

Sir WILLIAM LYNE.—I thought it was generally understood that it was intended to provide for a special jury.

Mr. GLYNN.—I have not heard of that before.

Mr. ISAACS.—An amendment having that object is among those that have been circulated.

Mr. GLYNN.—I am very glad that we are having submitted to us a series of amendments, which will be calculated to tone down the Bill to some extent, and modify its ridiculous effects. I would point out that even a special jury might be composed of men of the same cast of political thought. The jury might be composed wholly of protectionists, or wholly of free-traders, or of a majority on one side or the other. Moreover, we might have a jury in one district giving one definition of what was advantageous to the Commonwealth, and another jury in some other place arriving at an entirely different decision. Suppose, for instance, we obtained a decision from a jury in Melbourne that a certain industry should be preserved—would that decision become effective throughout the Commonwealth, or would the decision with regard to that point be subject to the verdict of every jury that might sit from time to time? We might have a number of conflicting decisions, or differences of opinion.

Mr. ISAACS.—That would be all in favour of the defendant, because, if one man is in his favour, he cannot be convicted.

Mr. GLYNN.—That would be in the case of a difference of opinion among the members of a jury. It will certainly not be advantageous to the Commonwealth if broad questions of political economy, which lead to such lengthened disputes in this House, are decided by any jury which happens to be selected in a particular case, with the views of a section of politicians being put upon the one hand by the Crown prosecutor with the mildness which ought to

characterize the prosecution, and on the other with all the emphasis of a partisan in politics. The idea of a jury being called upon to decide these abstruse questions of political economy seems to me to be absurd, and cannot possibly be productive of any good. It cannot lead to the stability of the institutions of the Commonwealth.

Mr. ISAACS.—What is the alternative?

Mr. GLYNN.—I am not bound to suggest an alternative. I do not think that the evils against which this clause is directed really exist to an extent to justify it. It is a provision which does not attack overt acts, but one which attacks intent. The amendments suggested by the Minister show that whilst originally the Government followed the lines of American legislation by attacking operations, they now wish to tone down the Bill by making the terminology of the clause fit in with its true purpose, which is to attack intent.

Mr. ISAACS.—Our intention was the same all through.

Mr. GLYNN.—The road to a certain place is paved with good intentions. We can only judge of the clause by the form in which it appears before us. It speaks of "restraint of trade." That expression is now being modified, and in lieu of it we are to have the words "with intent to restrain trade."

Mr. ISAACS.—Those words will take the place of the word "wilfully" in the first line of the clause.

Mr. GLYNN.—When I was speaking upon the second reading of the Bill, I pointed out that the word "wilfully" means "knowingly," and that as it is used in this clause, it qualifies the words "makes or enters into any contract." I do not think there is much in the proposal to strike out the word "wilfully." If a man enters into a contract, it must be presumed that he does so with a full knowledge of what he is doing. Under this clause, a person may be punished for engaging in competition which a jury may think is likely to be unfair in certain circumstances.

Mr. JOSEPH COOK.—He may be punished because he succeeds.

Mr. GLYNN.—Exactly. The whole of human life is made up of competition. The extent of it may be moral or immoral. Yet that competition is to be declared a wrong, even though it might act as a stimulus to the effectiveness of certain industries. Competition is not necessarily between corporation and corporation, or between corporation

and individual, it is between a person and persons. Again, the mere fact of a man belonging to a company which has entered into such a contract will render him liable, by virtue of his membership, to the penalties imposed by this clause.

Mr. DUGALD THOMSON.—Is that so?

Mr. GLYNN.—That seems to me to be so. If a man is a member of a company he is a member of a combination. If he is a member of a company which enters into a combination with other companies, he is surely both a member of the company and of the combination. Perhaps the Attorney-General will tell us that the word "person" in the Bill is meant to apply to one of the units of the combination.

Mr. ISAACS.—It has always been held in America that a man is not a member of a combination merely because he is a shareholder in a corporation.

Mr. GLYNN.—My contention is that these words are far wider than is the policy of the Government. They not only cover the cases which have cropped up in America, but they are more far-reaching. Surely it is not straining the meaning of the word "company" to say that if a man were a member of a company which belongs to a combination, or if he were merely a member of a company which engaged in what was deemed to be unfair competition, he would be liable to the penalties prescribed by this clause. If there be any sense in the provision, the member of a company is liable to the penalties imposed by it. I repeat that under the clause a person may be liable for contracting irrespective of whether he is a member of a combination or not, and if a person may be thus liable, a corporation may be equally liable. The policy is the same both in regard to a person and to a corporation. If that be so, this legislation is exceedingly wide, and will attack all sorts of legitimate competition in healthy industries. If honorable members will look at clause 6 they will see that if a commercial trust or an agent of a commercial trust enters into competition in relation to any of our local industries, it is *prima facie* evidence that that trust is guilty of an offence. The clause in question provides—

For the purposes of the last two preceding sections, unfair competition means competition which is, in the opinion of the jury, unfair in the circumstances; and in the following cases the competition shall be deemed to be unfair until the contrary is proved.

It then goes on to declare that the fact that a trust is part of a combination is *prima facie* evidence against a member of that trust or against the trust itself. If honorable members will turn to paragraphs *b* and *c* of clause 6, they will see what dangerous questions it is proposed to hand over to a jury for decision. For instance, if the jury thinks that the competition "would probably, or does in fact, result in a lower remuneration for labour," or if it "would probably, or does, in fact, result in greatly disorganizing Australian industry, or throwing workers out of employment," it is to be deemed unfair. The jury may be mistaken. They may merely think that it lowers wages. But their opinion is to be unchallengeable, even though it may be the most ridiculous one in creation.

Mr. WATSON.—Other very serious matters come before juries for decision.

Mr. GLYNN.—But we ought not to increase the number of perplexing problems handed over to them for determination.

Mr. ISAACS.—What is the alternative?

Mr. GLYNN.—I am not here to construct a measure for the Government, but to criticise the Bill which has been submitted by them. I am not prepared to accept as a panacea for all evils, legislation of a more far-reaching character than is the declared policy of the Government. Paragraph *c* of clause 6 states that competition shall be considered unfair if it does in fact disorganize Australian industry or throw workers out of employment. It is impossible, in the onward march of progress, to conceive of any case in which for a time men are not thrown out of employment by a greater degree of effectiveness being given to capital. All mechanical appliances temporarily disorganize labour, although they ultimately add to the wealth of the community. But under this Bill, if a jury think that certain competition tends to disorganize an Australian industry, down comes the penalty upon the party responsible for that competition. It seems to me that in handing over these functions to scratch juries we, as a Parliament, are abrogating one of the highest duties that we have to discharge, namely, the decision for practical purposes of some of the most intricate questions of political economy.

Mr. WATSON.—The honourable and learned member may find that there is less knowledge of political economy in this House than is possessed by the average jury.

Mr. GLYNN.—We have not tested that. I hope that the Committee will seriously consider the clause before deciding to retain it in its present drastic form.

Mr. HIGGINS (Northern Melbourne) [3.12].—I congratulate Ministers upon the proposed amendments in this clause—amendments which will have the effect of making it clear that a man is not to be imprisoned or fined unless he has designedly committed a wrongful act. I understand that the Government propose to strike out the word "wilfully" in the early part of the provision, and to insert the words "with intent" before the words "to restrain trade." That amendment overcomes the criticism which I ventured upon during the debate upon the second reading of the Bill. But may I also suggest to Ministers that the words "to do any act or thing" are not necessary? A combination may accomplish just as effectual work by refusing to do "any act or thing" as by doing "any act or thing." It may say, "We will not deal with So-and-So," as well as "We will deal with So-and-so." A very important question was put to the Minister by the honorable member for North Sydney—a question which goes to the very root of this legislation. I understand that he desires to know whether the effect of paragraph *b* of clause 4 will be to render it criminal to try to destroy a rival in trade.

Mr. DUGALD THOMSON.—Or to injure him.

Mr. HIGGINS.—Yes. I am putting the extreme case in order to make my illustration clearer. Is it to be a criminal act to endeavour to destroy a rival in trade as well as to attempt to destroy the whole industry? As I read the clause I take it that there must be the intention to destroy the whole industry, and that the old gospel by which each man may kill his rival in trade is to be allowed free play and scope.

Mr. ISAACS.—It says "destroy or injure" the whole industry.

Mr. HIGGINS.—Of course there are hosts of ways of accomplishing that end. It is possible for a big monopoly to endeavour to kill its different rival firms in detail. If a jury found that it was its intention to destroy the whole Australian industry in detail its action would then come within the scope of the offences mentioned.

Mr. DUGALD THOMSON.—But the Minister's reply did not show that.

Mr. HIGGINS.—I admit that. If a merchant upon one side of Collins-street is supplying the Riverina, Queensland, and other places with goods, whilst another merchant upon the other side of the same street is endeavouring to supply them, one competitor may try to ruin the other, and he is to be quite free to do so, so far as the law is concerned. He will be free to make use of glorious competition under the Bill, just as he has been up to the present time. It is only in the event of an attempt on the part of a combination to destroy the industry as a whole—not merely that of a particular firm—that a criminal offence comes in.

Mr. DUGALD THOMSON. — Does that mean the industry of the State or the industry of the Commonwealth, or the industry of a city?

Mr. HIGGINS.—As I understand, it must be in relation to trade or commerce with other countries or among the States. Therefore, it must be the case of a business whose operations extend beyond the limits of any one State.

Mr. DUGALD THOMSON.—Take the coal industry of Australia, the coal industry of Victoria, and the coal industry of New South Wales. The honorable and learned member says it must be shown that the combination is going to destroy the whole industry. Does he mean the destruction of the industry of a State, or the destruction of the whole industry of the Commonwealth?

Mr. HIGGINS.—The honorable member asks whether, if the intention of the combination be to destroy only the coal industry in Victoria, that will be an offence under the clause.

Mr. DUGALD THOMSON.—I want to know what coal industry is meant?

Mr. HIGGINS.—If there be a distinct dividing line between the Victorian coal industry and the Australian coal industry, then I should say that it would be an offence under the clause. But speaking right off, I cannot conceive how there could be any distinction between the Victorian coal industry and the Australian coal industry. Of course there are different interests, and so on. So far as I can see here, it must be an Australian industry.

Mr. WATKINS.—Suppose that by agreement the Newcastle coal-owners agreed to raise the price of coal, would that affect the position of Victorian coal-owners beneficially or otherwise?

Mr. HIGGINS.—I do not know. I understand that the honorable member is speaking of a combination of Newcastle coal-owners to destroy the Jumbunna and Outtrim coal industry.

Mr. WATKINS.—The honorable and learned member could not consider it to be destroying the Jumbunna coal properties if the only object of the combination were to put their coal upon the market at what they conceived to be a fair price.

Mr. HIGGINS.—That is on the same lines as the question put by the honorable member for North Sydney.

Mr. DUGALD THOMSON.—Then the honorable member comes down to competition between the industry of one mine and the industry of another.

Mr. HIGGINS.—I should say that it must be shown to be an Australian industry, which of itself was a distinct industry, and it is very hard to say that the coal-mining industry in Jumbunna, Outtrim, and elsewhere in Victoria is distinct from the industry of coal-mining in Australia. However, that is a matter which would have to be determined according to the facts and evidence in each case.

Mr. DUGALD THOMSON.—Ought we not to determine it in the Bill?

Mr. HIGGINS.—If the honorable member can make it clear I shall help him, but it is a matter into which I have not gone so fully as he evidently has done. I have submitted to the Ministers a provision which may be regarded as an amendment of this clause, or a new clause, and which I hope will meet with the approval of honorable members. It is drawn on the same lines as I indicated in my speech on the second reading of the Bill. There are a number of men who want honestly to obey the laws, if they can only understand what they are. They do not wish to be left in uncertainty as to whether under this Bill they are doing what a jury may say is detrimental to the public or is unfair competition. Whether a thing is to the detriment of the public or is unfair is so much a matter of opinion that they would very much like to feel that they were acting free from all danger. In these cases a man must be tried by a jury. Juries may go wrong, but we cannot get better tribunals for dealing with facts or things which have occurred. At the same time, if it came to a matter of economic opinion, social

opinion, opinion as to what was for the good or damage of the public, or as to what was fair or unfair in the way of competition, then the whole regiment of prejudices would arise, and as regards the jury, everything would depend upon their interests, their surroundings, and the State aspect.

Mr. ROBINSON.—Take the case of the coal industry.

Mr. HIGGINS.—That is a very pertinent matter in this respect. There we should have local interests coming into play upon the question of what was or was not to the public damage, and also as to whether the competition was unfair or not. There are many men who have no objection to the terms of their combination being seen by anybody, and who would like to feel that they were acting without their necks in a halter, without there being any danger of their being attacked for doing things to damage the public or for acting unfairly. What I have suggested is that if these men should wish to do so, they shall be at liberty to submit to the Department their agreement, and ask, "Is this to the detriment of the public or not; does this involve unfair competition or not?" They would not be obliged to submit the document, but at the same time, if they took that course, and the Minister, after consulting experts, and looking into the whole matter, were of the opinion that the competition was not to the detriment of the public or unfair, he might give a certificate to that effect, and, so long as it lasted, the man would be free to act under the agreement.

Mr. JOSEPH COOK.—What a fine field for favoritism that would open up.

Mr. HIGGINS.—The honorable member will see that there would be no bigger field for favoritism under this proposal than there is in the case of other matters which come before Ministers in the course of their administrative duties. It may be said, as it has been, that there will be favoritism in the matter of prosecutions under the Customs Act. Again, in the matter of Tariff decisions, we may continually have danger of favoritism. If the honorable member could suggest any better tribunal than the Minister for the purpose, I should be very happy to accept it. But I conceive that, if the Minister is to retain control of matters, we cannot do better than put the responsibility upon him.

Mr. POYNTON.—Would the Minister's refusal to grant a certificate prevent the man from going on?

Mr. HIGGINS.—No. If the Minister refused to give the certificate, the man could take the risk of going on, and say, "Prosecute me, if you like; I shall prove that the combination is all right." Speaking with a little experience in the drawing of agreements, including combination agreements, I should say that ninety-nine cases out of a hundred are innocent, and would not come within the measure; and that, of the ninety-nine cases, the great majority would be perfectly willing to have their agreement known and watched.

Mr. ROBINSON.—I do not think so, because they would be giving away the secrets of their business.

Mr. HIGGINS.—Quite so; but it will be observed that there is no compulsion put upon any one to go to the Minister. The amendment simply means that if a man wished to get the protection of a certificate he could make an application, and if the Minister granted it, the man would be protected so long as the certificate lasted. But there must be power to the Minister at any time to withdraw the certificate if he thought fit.

Mr. ROBINSON.—Suppose that a man submitted an agreement which he was advised was proper, and that the Minister took a different view, the fact that he submitted the agreement, and that the Minister did not approve, might tell in the Court against the man.

Mr. HIGGINS.—I have no objection to the insertion of a provision to the effect that the refusal of the Minister to grant a certificate shall not be to the prejudice of the man submitting the agreement, and shall not be given in evidence.

Mr. HUTCHISON.—But suppose that the Minister refused to withdraw his objection, and that the man was still breaking the law. Does the honorable and learned member mean that the Minister would allow men to break the law?

Mr. HIGGINS.—No. So long as the man had the Minister's consent, there would be no breaking of the law. I ask honorable members to consider my proposal, which I admit must be looked into very seriously. I believe that all sides of the Chamber are impressed with the view that, whether this legislation be futile or effective, we must take every precaution that is within our power to prevent any honest

man from being put in gaol, unless it be shown that he had wilfully broken the law. Imprisonment and fine are attached to the commission of this offence. I feel intensely the importance of not overstepping the mark, and of not making a number of men unhappy, and in the conduct of their business uncertain lest, perhaps, some jury, full of prejudices on different subjects, might say, "That is acting to the danger of the public, or acting unfairly." I am willing to move my amendment as a new clause or as a proviso to this clause, just as the Government may see fit to prefer, because I am anxious to help them with the frame-work of the Bill as far as I can.

Mr. JOSEPH COOK (Parramatta) [3.30].—I have listened to the explanation of the Minister, and, while he may be given credit for the best intentions in the world, it is incumbent on us to take care that those intentions shall not fail to be carried out when the Bill is passed. The Minister talks in quite a fair way about octopus monopolies and trusts; but this clause goes much further. The honorable gentleman may have no present intention of coming into conflict with any of the ordinary trading concerns of this country, but, as the clause is framed, it appears to me to be inevitable that friction and trouble will arise in the common occupations of Australians. That is what we want particularly to avoid; and any statement as to the intentions of the Minister cannot, I am afraid, be accepted by the Committee as a safeguard. I say frankly that recent experience makes us a little bit wary of the Minister. We remember, for instance, the attitude of the honorable gentleman, and also of the Attorney-General, on the Commerce Bill. We now find the Minister of Trade and Customs taking a course directly contrary to statements he made when that Bill was going through Committee. As a result of a great deal of agitation and complaint, the Minister has modified his regulations, and, I understand, has made them of a more reasonable character. But he could very readily, as he has declared, have pursued a drastic course under the terms of the Commerce Act; although, when the measure was going through Committee, he expressed himself as having no such intention or purpose. And so with the Bill before us. The Minister's intentions, however good they may be at the present time, may melt as the mist before the rising sun,

if some interested individual in the ordinary administration of the Department comes before him with a complaint. A case may then be made out under the Bill which will require the Minister to act, if the law is not to be a dead letter. Therefore, it is to the terms and provisions of the law, irrespective altogether of the intentions and wishes of the Minister, that we have to look in discussing this matter in detail. I venture to say, with the greatest possible deference to the honorable and learned member for Northern Melbourne, that the words "Australian industry" do not mean an industry the boundaries of which are co-terminus with the boundaries of Australia.

Mr. HIGGINS.—I have not gone so far as that.

Mr. JOSEPH COOK.—I understood the honorable and learned gentleman to say that "Australian industry" in this clause evidently means an industry as a whole.

Mr. HIGGINS.—Yes, as a whole; but it must be an Australian industry.

Mr. JOSEPH COOK.—As distinct from a State industry, for instance?

Mr. HIGGINS.—No; I have not gone so far as that—I mean as against a foreign industry.

Mr. JOSEPH COOK.—The words "Australian industry" are, I take it, conditioned by the term "in relation to trade and commerce among the States."

Mr. ISAACS.—They mean an Australian industry as contra-distinguished from a non-Australian industry—a foreign industry.

Mr. JOSEPH COOK.—Yes; but the whole trouble may arise as between two Australian industries operating within Australia.

Mr. ISAACS.—Two distinct Australian industries.

Mr. JOSEPH COOK.—Two distinct phases of the same industry.

Mr. HIGGINS.—An industry would not be hit by the Bill under such circumstances.

Mr. JOSEPH COOK.—Let me give honorable members an illustration of what I mean.

Mr. ISAACS.—The honorable member means two distinct branches of the same industry?

Mr. JOSEPH COOK.—Yes; If I said phases, I meant branches. For instance, it is known that in Victoria the State Government pay a bonus on the carriage of coal from Korumburra to Melbourne. What would happen if Messrs. J. and A. Brown,

of New South Wales, were to come to the Minister and declare that this arrangement represented unfair competition, and that, in consequence, they could not compete, as they otherwise would, in the market of Melbourne? Would the Victorian competition not have to be ruled unfair within the meaning of this Bill? It occurs to me that it would.

Mr. WATKINS.—A Royal Commission has just recommended that the State Government shall not give less than 12s. 6d. a ton for Victorian coal.

Mr. JOSEPH COOK.—In this instance, we have a combination on the part of the State Government of Victoria and the Korumburra coal-mine proprietors, involving a bonus on the carriage of coal, and the making of such transport arrangements, as may enable the Victorian coal-owners to knock Messrs. J. and A. Brown out of the Melbourne market. That, surely, is a combination clearly intended to injure another Australian coal industry.

Mr. ISAACS.—No; they are Australian competitors in the same industry.

Mr. JOSEPH COOK.—That is the same thing, surely.

Mr. DUGALD THOMSON.—The Minister gave a similar illustration when he said that two sets of harvestermakers could be dealt with.

Mr. JOSEPH COOK.—The whole purpose of the trust legislation of America is, I take it, to prevent trusts wiping out all competitors in America by unjust and unfair means.

Mr. ISAACS.—There is a monopoly clause later on in the Bill.

Mr. JOSEPH COOK.—But this clause has the same operation.

Mr. ISAACS.—No.

Mr. JOSEPH COOK.—This clause has the same phraseology.

Mr. ISAACS.—They are two different clauses for different purposes. In the case put by the honorable member, if it were intended to create a monopoly, those concerned would be hit by the Bill, but not by this particular clause.

Mr. JOSEPH COOK.—The Attorney-General may speak of "monopoly" if he likes, but the thing is the same in both instances—both come under the penal clauses of the Bill.

Mr. ISAACS.—But not under this clause.

Mr. JOSEPH COOK.—The Bill provides that if anything of the kind is done there may be a penalty of £500, and that

the contract or arrangement shall be void. I take it that when the mine-owners of Korumburra enter into an arrangement with the State Government for such transport charges as will enable the former to knock their competitors out of the Melbourne market, people engaged in a similar industry in New South Wales are injured by unfair competition.

Mr. ISAACS.—That does not fall within sub-clause *b* of clause 4.

Mr. JOSEPH COOK.—That may be; at any rate, there is a design, by means of special concessions, which mean unfair competition, to destroy or injure another industry in Australia.

Mr. ISAACS.—Another industry—no.

Mr. JOSEPH COOK.—Unquestionably, it is a distinct and separate industry operating in another State.

Mr. KELLY.—The Victorian Government fix cheaper freight for Victorian coal.

Mr. WATSON.—That ought not to affect anybody else engaged in the same industry.

Mr. JOSEPH COOK.—That is the point with which I am dealing. I say that so long as there are these special freights, the competition between the coal owners of New South Wales and the coal owners of Victoria is on an unfair basis.

Mr. ISAACS.—There are special rates on New South Wales lines.

Mr. JOSEPH COOK.—That does not make special rates fair.

Mr. ISAACS.—I know that.

Sir WILLIAM LYNE.—All this would have been settled long ago if the honorable member for Parramatta had not blocked the appointment of an Inter-State Commission.

Mr. JOSEPH COOK.—Who blocked the appointment of an Inter-State Commission? So far as I know, I never spoke on the Inter-State Commission Bill. Another case is afforded in that of the Newcastle coal mines and the Lithgow coal mines. It costs, I believe, about 6s. a ton to bring coal from Lithgow to Sydney. Let us say that the Newcastle mine-owners have private railways and steamers of their own, and are thus enabled to place the coal on the market in Sydney in such a way as to prevent the possibility of competition from Lithgow. Clearly that is unfair competition.

Mr. WATKINS.—Why is that competition unfair?

Mr. JOSEPH COOK.—Anything is unfair which tends to lower wage rates—

which tends to disorganize industry; that is according to the definition of unfairness under the Bill. The honorable member for Newcastle spoke of an intention to commit wrong—but what is wrong under the Bill? A wrong is anything that succeeds in the way of competition—because it succeeds, it is wrong, and the Bill challenges it on that account. This Bill sets up new crimes in our calendar. Acts which are necessary, and which may be the very essence of progress, may be regarded as wrong under the Bill; and, because they mean progress, and, perhaps, temporary dislocation, they must be challenged and investigated.

Mr. WATSON.—I thought the honorable member's party was in favour of regulating trusts?

Mr. JOSEPH COOK.—May I remind the honorable member that he is guilty of tedious repetition?

Mr. WATSON.—I dare say it is uncomfortable to the honorable member to have such a reminder.

Mr. JOSEPH COOK.—The honorable member for Bland has made the same interjection about twelve times.

Mr. WATSON.—About twice, I think.

Mr. JOSEPH COOK.—Tedious repetition is against the Standing Orders, and, therefore, I suggest that the honorable member should say something original and fresh. Let us take the question of harvesters. We were told in the House a little while ago—I do not know with what truth—that Mr. McKay had actually changed the locality of his works, and gone beyond the jurisdiction of the factory laws and Wages Boards of Victoria. Would Mr. McKay, under these circumstances, not be able to bring unfair competition to bear, as compared with an industry the conductors of which observed the factory laws and the decisions of the wages boards?

Mr. HUTCHISON. — No; because Mr. McKay would still be under the factory laws which do not apply to wages.

Mr. JOSEPH COOK.—But suppose a competitor came to the Minister, and said that in consequence of Mr. McKay having changed his scene of operations, the latter was in a position to compete unfairly.

Mr. HUTCHISON. — No; the other man could move his business if he chose.

Mr. JOSEPH COOK.—Maybe he could, but maybe he could not. Such a man might not have the necessary capital at his back; and he could point out that his industry had become disorganized in consequence of

Mr. McKay's action. Having to observe fresh conditions, and not having sufficient capital at his back to enable him to make changes in his mode of operations, he would practically be shut up. That is unfair competition under this Bill. That is disorganization of industry under this Bill. That is intent to injure competitors under this Bill. And so we find that the simplest operations of trade come under this sweeping clause. Then, again, the Judge in the determination of these matters has to have regard to "Producers, workers, and consumers." How is he going to have regard to the whole three of them? What may be in the interests of the consumer may be against the interest of the producer and of the worker. For instance, the higher you put up the price to the consumer the more wages, it may be, the employé gets, and the greater is the profit of the producer. What, therefore, may be to the interest of the producer and the worker may be quite against the interest of the consumer. Is the Judge to shake these things together and decide them, and by a compromise strike a balance between them? I observe, of course, that the consumer comes last in point of consideration in connexion with all these matters.

Mr. ISAACS.—Is not that the natural order? You cannot consume a thing before you have produced it, can you?

Mr. JOSEPH COOK.—Is not the worker a producer? Why that distinction at all?

Mr. ISAACS.—You have first the producer or the employer, then the worker, then the consumer. Is not that the natural order?

Mr. JOSEPH COOK.—I do not see a distinction between a producer and a worker. I take it that a man cannot produce unless he works either with his hands or with his brain. I am afraid that this classification would not stand any economic test. I shall be glad to hear the honorable member for Bland on this fine distinction between producers and workers. He, of course, claims—it is one of his favorite doctrines—that 80 per cent. of the people are workers. I do not know where the distinction begins, and why it is made at all between producers and workers. There is a distinction, intelligible enough, between proprietors, or employers, and employés, but there is no such distinction that I know of—no intelligible distinction—between pro-

ducers and workers. Then there is the consumer. As I have said, what may be to the interest of the worker may be against the interest of the consumer; and upon what principle is the Judge to proceed in determining whether there has been a design to interfere with and disorganize an industry to the "detriment of the public" and "in restraint of trade"?

Mr. DUGALD THOMSON.—Members of Parliament may differ as to what are the interests of the consumer.

Mr. MAUGER.—Is not every worker a consumer? How can we separate producers and consumers?

Mr. JOSEPH COOK.—The honorable member knows that there are distinctions which we observe—rough-and-ready distinctions and classifications of things—that do not always conform to the strict laws of political economy. I suppose this is one of them. It strikes me as being very rough and very ready to make a distinction between producers and workers. At any rate the point I should like to make is this—if Ministers only seek to clip the claws of a few large octopus combinations—

Mr. ISAACS.—An octopus would not have claws!

Mr. JOSEPH COOK.—To cut away the suckers of these octopus combinations, shall I say; to cut away their grip; if he simply contemplates dealing with a few of these large monopolistic concerns, would not paragraph *a* cover all that he wants to do?

Sir WILLIAM LYNE.—The honorable member talks long enough to cover twenty clauses.

Mr. JOSEPH COOK.—I have not spoken for a quarter of an hour.

Sir WILLIAM LYNE.—It is a waste of time.

Mr. JOSEPH COOK.—I call your attention, Mr. Chairman, to the impertinent remark made by the Minister to me. It may appear to him to be a waste of time to discuss this Bill, seeing that he does not understand a word of it. Any one who endeavours to get a little enlightenment from him is simply met with these rude, impertinent interruptions.

Mr. MAUGER.—What did he say?

Mr. JOSEPH COOK.—What is he always saying? He behaves as though he knows nothing about the Bill, and thinks that another who is inquiring about it, knows nothing about it either.

Sir WILLIAM LYNE.—The honorable member does not seem to know much about the Bill.

Mr. JOSEPH COOK.—The Minister does not know anything about it. I repeat that if the Government wishes to deal with a few of these possible monopolies in Australia, paragraph *a* will cover the intention in that respect, and that this matter of unfair, internal competition may very well be left to itself, upon the Continent of Australia, at any rate. If it is desired to deal with these matters as they affect other countries than our own, then the Tariff is the proper medium, and not a Bill of this kind.

Mr. ISAACS.—The Tariff is only for ordinary operations, but this Bill is for very extraordinary operations.

Mr. JOSEPH COOK.—I do not see that any extraordinary operation is contemplated in paragraph *b*. It deals only with ordinary competition taking place between the industries of one State, it may be, and those of another.

Mr. ISAACS.—Surely the honorable member will admit that it is not an ordinary operation to attempt to destroy an industry.

Mr. JOSEPH COOK.—It all depends. If the honorable gentleman starts out to destroy an industry, and does it by employing better methods, better machinery, and better skill—possibly by a patent of his own—is there anything wrong in destruction of that kind?

Mr. ISAACS.—That would be improving an industry.

Mr. JOSEPH COOK.—Competition of that kind is the very essence of all industrial progress.

Mr. ISAACS.—An industry would be improved under those circumstances.

Mr. JOSEPH COOK.—I know that the industry would be improved in the broadest sense, but at the same time the method would disorganize the people engaged, who did not happen to have the advantage of these new and special methods. It would tend to put men out of work temporarily. It would dislocate the operations of an industry which was not operating upon the same skilful plane. But destruction of that kind is of the very essence of progress, and there could be no progress without it. If it were not for that kind of destruction—the destruction of old, obsolete methods—we should be just where the Chinamen are, going round cycle after cycle, century after century, in the same old beaten

track. Every new enterprise, every new machine, every new method of competition, every new discovery of science, means a dislocation of industry as it exists to-day. There must always be disorganization while the process of readjustment is going on. But, under this Bill, even that process of readjustment would be open to be challenged, and would be subject to investigation by a Judge and jury, with penalties to be imposed as the Judge may determine. And, after all, a very great deal will depend upon the point of view of the Judge in relation to these industrial matters. Judges are not perfect beings. They can only do their best. They only guarantee disinterestedness and impartiality. They do not guarantee knowledge of superior industrial skill. Therefore, there is infinite danger surrounding the ordinary occupations of a country under paragraph *b*, as drawn by Ministers. I say again that, if they merely want to indict the big monopolistic trusts, paragraph *a* is quite sufficient for the purpose. "Restraint of trade," "detriment of the public"—those terms are wide enough to cover everything relating to monopolies, relating to the interests of consumers, and relating to the interests of workers and producers. Paragraph *b* is intended to meet a different class of conditions altogether. It is intended, I am afraid, to affect the ordinary competitive operations of business and trade, no matter how fairly they may be conducted. This Bill, I repeat, sets up success as a synonym for injury and unlawfulness. It indicts success as such, and challenges it to prove its right to be success, and its right to exist. We shall have a new class of offences created under this Bill. Therefore, the more strictly we can limit the operations of the measure, so as to be sure that it will only touch those big enterprises at which we profess to aim, the more clearly, I take it, we shall be in accord with the dictates of common-sense, and, as the Minister says, the more clearly we shall approach what he intends the operation of this Bill to be.

Sir WILLIAM LYNE (Hume—Minister of Trade and Customs) [3.56]. — I have listened with a great deal of attention to the speech of the acting leader of the Opposition, and I agree with a great many things which he has said—especially with his last few remarks. There is no desire on my part, or on the part of the Government, to pass a Bill which would have the effect of diving down, even to the most

minute detail, into every person's business. The object of the measure is to deal with the large and offensive combinations which may have been established up to the present, and which may in the future be established; and I shall be very glad indeed if honorable members can suggest amendments to bring the Bill into line with that object, if it is not sufficiently clearly attained already.

Mr. JOSEPH COOK.—I suggest the omission of paragraph *b*.

Sir WILLIAM LYNE.—I do not think that that is advisable.

Mr. JOSEPH COOK.—The clause is strong enough without it.

Sir WILLIAM LYNE.—I do not reply to the honorable member for Parramatta in any spirit of antagonism, but I do hope that we shall make as rapid progress as we can in dealing with the measure. We were all last night discussing one clause.

Mr. DUGALD THOMSON.—It embraced a good many things.

Sir WILLIAM LYNE.—I quite admit that; but still I think that we might progress a little more rapidly than we have been doing. The object of this clause is that, where any serious combination is formed which is going to destroy, or seriously to injure, an industry in Australia, it shall be brought under the operation of this Bill. But the measure is not intended to operate, as the honorable member for Parramatta seems to think, between competitors. There will be the fullest scope for competition. I should be sorry indeed to find that the measure had the effect of interfering with ordinary competition in trade. It is designed for the purpose of preventing the destruction of industries. I think that the Bill, as improved, will carry out that intention. I beg to move—

That the word "wilfully," line 1, be left out.

Mr. JOSEPH COOK.—There is no objection to that.

Sir WILLIAM LYNE. — I intend to follow this amendment by another one of greater importance.

Mr. HUTCHISON (Hindmarsh) [3.59]. — There is no doubt that this Bill is anything but satisfactory. But, at the same time, it has been realized by all sections of honorable members that something must be done to curb trusts and to curb unfair trade. Now that we have got into Committee, I was hoping that members of the Opposition—who have stated that they are just as much opposed to trusts and unfair

trade as are other sections of honorable members—would propose amendments with the object of achieving their purpose. But, instead of that, I have listened to the honorable member for Parramatta, on behalf of his colleagues, simply talking generalities. I object to the substitution of the words "with design" for the word "wilfully," because I think that any person committing the offences created by the Bill should be punished, and that there will be very little punishment if the design of the offender has to be proved.

Sir WILLIAM LYNE.—The words I intend to insert are "with intent to restrain."

Mr. HUTCHISON.—Why should we distinguish between the offender under one Act and the offender under another? If a man meets a few friends, and takes a glass of beer in their company, afterwards being led on to further drinking until he becomes drunk, it is no vindication for him to say, when arrested for drunkenness, that he had no design to get drunk, and, if convicted, he will be punished for the commission of an offence. Similarly, any one committing an offence under this measure should be punished. I admit that leniency should be shown to first offenders; but, when offences are continued, the offender should be severely punished. If the proposed amendment is made, the Bill might as well be thrown into the waste-paper basket, because its provisions will lead only to litigation harassing to the business community, without preventing offences. I shall vote for the omission of the word "wilful," but shall resist the insertion of the words "with design." How can a man's design be proved? No one, if charged with an offence, would admit that he had offended by design, and witnesses could not be brought to say what his design was. It might happen, however, that a person who had offended undesignedly might be found guilty of having offended with design, which would be an injustice. If the Opposition are in earnest in their desire to protect traders, and to prevent unfair competition, they should not press for the omission of paragraph *b*. because without it the clause will not go far enough. It is time that the trusts were shown that there is a determination on the part of Parliament that trading shall be fair and legitimate, and if this legislation fails, more drastic means will have to be introduced, until eventually some of those who are opposing the Bill, though they did not care to vote against it, will find themselves obliged to

support nationalization, if they wish to prove the truth of their statements that they are opposed to competition in restraint of trade, and to unfair competition. As I pointed out in regard to a clause which the Minister now proposes to amend, if design has to be proved, the person injured, instead of getting treble damages from the offender, may have to bear the cost of the action, and get no damages at all, through not being able to prove design.

Mr. DUGALD THOMSON (North Sydney) [4.6].—I have carefully considered the reply given by the Minister to my request for information, and the enlightenment thrown on the subject by the speech of the honorable and learned member for Northern Melbourne, but neither speaker has in any way convinced me of the effectiveness for any proper purpose, or of the safety, of paragraph *b*. Replying to the satire indulged in by the honorable and learned member for Northern Melbourne in regard to the commercial competition which seeks to destroy an opponent, I venture to say that, as a rule, it is not usually the aim of commercial men to destroy their rivals. They are actuated by the motives that impel a barrister, for instance, to strengthen his mental capacity and to put forth his best efforts to win cases, so that he may obtain more briefs, and thus win fame and fortune in his profession. In doing this, the successful barrister displaces men who are his inferiors, and thus we find practitioners who, because they cannot, in competition with their superiors, obtain a reputation which will bring them work enough to enable them to live by their profession, are driven from it. But it would be as improper to charge a leading barrister with attempting to destroy his competitors as it is to make that charge against commercial men. I admit that there are exceptions, just as there are barristers who adopt improper methods in attempting to get a connexion. Those engaged in commerce use their mental powers, and put forth their best efforts, first, to obtain business, and then to increase it, and if in the competition others go down, they do so only in the same way as, in other avocations, the unsuccessful sink after collision with the heavier weight of their successful rivals. I allude to the matter only because it is so often suggested here that commercial men conduct their businesses in this respect in a manner different from that in which others

conduct their businesses or follow their professions. The difficulties created by the clause have been clearly shown by the discussion which has taken place. I have no hesitation in saying that it was drawn to prevent unfair competition, not between Australian industries, but between foreign and Australian industries only. If there had been any other intention, it would have been expressed more clearly. The Minister of Trade and Customs said that action by an Australian industry which might injure another Australian industry would entail liability to the penalties here set forth, and that action by combinations or operations within an industry which might injuriously affect others engaged in that industry, or, possibly, the industry itself—

Sir WILLIAM LYNE.—I said the industry itself.

Mr. DUGALD THOMSON. — In the first place the honorable gentleman spoke of unfair competition between portions of an industry. He said that combinations guilty of such competition would be liable to the penalties of the clause. Even adopting the Minister's correction, it is evident that the clause was drawn merely to prevent unfair competition from outside. What is the "Australian industry" that will be injured or destroyed? Is it an industry carried on all over Australia or an industry confined to a State which may be injured by the operations of those connected with the same industry in another State; or is it an industry in a city which may be injured or destroyed by the operations of those engaged in the same industry in another city? What is meant by the term "Australian industry"? Those words must be defined; the Bill contains no definition of them. Paragraph *a* deals with combinations of persons which endeavour to restrain trade to the detriment of the public, and will affect Australian combines or trusts as well as importing combines or trusts; but paragraph *b* might as well be left out, so far as any effect upon Australian trusts is concerned. I think that the honorable and learned member for Northern Melbourne will agree that there is nothing in paragraph *b* affecting Australian combines.

Mr. HIGGINS.—This case occurs to me. A very big concern might be established to work a deposit of sienna found in one State only. I should take its operations to be an Australian industry. If those en-

gaged in supplying paint made from other materials resolved to crush the production of sienna, that would be an attempt to destroy an Australian industry.

Mr. DUGALD THOMSON.—It might happen that both the paint produced from the sienna deposit and the competing paint would be made of Australian material.

Mr. HIGGINS.—I did not say that both paints might be made from Australian material.

Mr. DUGALD THOMSON.—But that case might arise. I submit that the clause is framed to deal with competition from abroad, and that if the paint sold by the combination attempting to crush the sienna production was made from material brought from abroad, the Australian industry affected could be protected under its provisions. But if both paints were made of Australian ingredients, how would one Australian industry be destroyed by the building up of the one paint industry at the expense of the other.

Mr. HIGGINS.—Suppose that a cane sugar combine destroyed the beet sugar industry?

Mr. DUGALD THOMSON.—How would the sugar industry of Australia be destroyed by substituting cane for beet?

Mr. HIGGINS.—The beet sugar industry would be quite distinct from the cane sugar industry.

Mr. DUGALD THOMSON.—But it would still be the sugar industry. However, we have no definition to guide us, and we have no means of knowing how far a definition of industry would extend. There are many puzzling cases which arise out of the wording of the provisions.

Sir WILLIAM LYNE.—I wish that the honorable member had had to draft the Bill.

Mr. DUGALD THOMSON.—The Minister did not apply to me for assistance. When a request of that kind is addressed to me, I shall, at any rate, consider it. The Minister will have to face the position sooner or later, and it ought to be faced whilst this measure is under consideration. The interjections of the honorable and learned member for Northern Melbourne support my view. He is a skilled barrister, and as he cannot show me that I am wrong, I may presume that I am very nearly correct. The clause will permit of combinations in Australia to any degree. The two sub-clauses proceed in opposite directions. Paragraph *a* provides against restraint of trade to the detriment of the

public. That practically means—as it has been interpreted in America—that trusts shall not tax the public by charging excessively high prices. Paragraph *b* proceeds in an entirely different direction. All the persons engaged in an Australian industry might combine for the purpose of keeping up prices—that would benefit, and not injure, the industry—and they would not be interfered with in the least degree. It seems to me that paragraph *b* is unnecessary, especially in this part of the measure, and personally I should like to strike it out and leave paragraph *a* to operate as intended to prevent any trusts from operating to the detriment of the public. The whole nature of paragraph *b* is fiscal more than anti-trust. I do not consider it is necessary, or desirable, in a clause which deals with combinations detrimental to the public. I would again direct attention to the difficulty of determining what is injurious to an Australian industry. A decision might readily be arrived at upon that point as regards goods coming from outside, and the clause was evidently intended to apply to such cases. The Attorney-General, however, told us that it would also operate with regard to competition within Australia. The clause was evidently drawn with the intention of applying to competition coming from beyond Australia, and notwithstanding the statement of the Attorney-General, no proper provision has been made for dealing with combinations using unfair competition in Australian industries. Take, for instance, the coal industry, which is common more or less to all the States except, perhaps, South Australia.

Mr. HUTCHISON.—We have one mine, but we do not work it.

Mr. DUGALD THOMSON.—South Australia is the only State that does not produce coal. When we speak about injuring an Australian industry, do we mean the industry as it affects the whole Commonwealth? It would not affect the whole coal industry of Australia if the mines in one State, or in one part of the State, were closed up, and the output of other mines were increased to make up for the loss. When an industry is spoken of, is reference made to the industry of the Commonwealth, or the industry of a State? If State interests had to be considered, the questions that would arise would be of an entirely different character. It might be complained that the Newcastle coal mine-owners interfered with the Victorian coal-mines, and that they were in-

juring or attempting to destroy them. No such charge could, however, be levied if the industry of Australia as a whole were looked at. Then, again, a question might arise within a State between one group of mines and another. Could any such matter be dealt with under the Bill? For instance, in New South Wales the Newcastle mine-owners might be charged with attempting to injure or destroy the coal-mines of Lithgow. It seems to me that there is nothing in paragraph *b* that would restrict the operations of Australian trusts, whether detrimental or non-detrimental to the public. There is certainly provision in sub-clause *a* which would interfere with them. On the other hand, they would be encouraged by sub-clause *b*, because any competition that would injure them by reducing their profits would be done away with—at any rate, it might be declared to be illegitimate. What I have stated tends to show the difficulty of understanding the provisions of the Bill, and of arriving at some conception of their possible effects. Now, another point that has been alluded to concerns the jury that will have to try the questions arising under the clause. I am quite aware of the constitutional difficulties that would arise in a case that might lead to imprisonment, but I am satisfied that a jury is one of the least satisfactory tribunals to which cases arising under the Bill could be submitted. As in other branches of jurisprudence, the Judges have at the outset to establish standards upon which to base the administration of the new law. This is not a work of days or weeks or months, but of years, and it is only after many decisions have been given, and many arguments have been engaged in that the standards of justice are clearly established. It is now proposed to refer many important matters—not merely questions of fact—to the decision of the jury. The jury will, in many cases, be prejudiced, perhaps, by personal considerations or interests, and also by their local views. Take, for instance, a jury sitting in Melbourne to inquire into a complaint that the Victorian coal-mines were being injured by unfair competition on the part of the Newcastle coal-owners. The members of the tribunal would certainly—not intentionally, but unwittingly—lean towards the Victorian industry. The State aspect would have a certain effect upon the jury. For example, it would be to the interests

of South Australia to obtain coal as cheaply as possible, whereas it would be the object of New South Wales, or any other coal-exporting State, to obtain as high a price as possible. The jury would be bound to be affected in their view by the State aspect of the matter. The Minister has not explained what would be the result, in the event of the jury in one State giving a certain decision, and the jury in another State arriving at a directly opposite conclusion in regard to similar matters.

Sir WILLIAM LYNE.—The result would be the same as in the case where one jury finds a criminal guilty, whilst another jury finds him not guilty.

Mr. DUGALD THOMSON.—That shows that the Minister has not grasped the case.

Sir WILLIAM LYNE.—I mean the case would be exactly the same as that in which a man who is first tried and acquitted by one jury is again brought up and found guilty by another jury.

Mr. DUGALD THOMSON.—The two cases are wholly different. The jury appointed under the Bill will have to give decisions which will bear upon the administration of the law for the whole Commonwealth, and not merely for a State.

Sir WILLIAM LYNE.—The only way in which the difficulty could be overcome would be by appointing a travelling jury.

Mr. DUGALD THOMSON.—I am not in favour of the appointment of a jury at all.

Mr. FISHER.—How would the honorable member meet the difficulty without altering the criminal law?

Mr. DUGALD THOMSON.—I have heard of a suggestion which may partially meet the case. I shall, however, leave it to the honorable member who made the suggestion to mention it if he thinks fit.

Sir WILLIAM LYNE.—I can assure the honorable member that I am not very much in love with the proposal to remit these cases to a jury for decision, but I do not see how we can overcome the difficulty.

Mr. DUGALD THOMSON.—So far as I have been able to think over it, I believe that the plan suggested to me by the honorable member for Bland would overcome the worst phase of the difficulty. The suggestion is not mine, and therefore I prefer that the honorable member who is

responsible for it should bring it before the Committee.

Mr. WATSON.—There are no proprietary rights in it. I have no objection to the honorable member mentioning it.

Mr. DUGALD THOMSON.—I have not thought the matter out, but at the first blush it seems that the suggestion of the honorable member would be of some assistance. If, after further consideration, he entertains the same opinion, I hope that he will bring it forward. I do see very considerable danger in remitting the decision of these questions to a jury. If the determination could, to some extent, be referred to a Justice of the High Court, we should occupy a much safer position, and much less contradictory decisions would be given.

Sir WILLIAM LYNE.—I think so, too.

Mr. DUGALD THOMSON.—After the Minister has proposed his amendment, I shall move for the excision of paragraph *b* of this clause. If that be not carried, I shall submit another amendment at a later stage, but I will move the first in such a way that it will not prevent other amendments being moved in the clause if mine is not carried.

Mr. WATSON (Bland) [4.32]. — Concerning the point to which the honorable member for North Sydney has adverted, I may say that I was chatting with him last evening about the possibility—which he pointed out—of a number of cases coming before juries in different States and being decided—in some measure at least—under the influence of State prejudices that might exist. It does appear to me that there is something in his contention, and that it is highly undesirable that we should have one decision given in regard to a particular combination in one State, and a different decision given in another State. In any case, the possibility of hauling these combinations before a number of tribunals in the different States is an altogether undesirable one. What we should aim at is to obtain one decision from a competent authority as to whether a particular action by a trust is or is not within the law. The idea should be to secure a clear, effective, and final decision upon a particular set of facts. The system of allowing juries to determine these questions would encourage the hearing of a variety of cases, any one of which might succeed. It is highly desirable that we should get some form of tribunal which will lay down a rule in

respect to this particular matter. It must be apparent, of course, that whilst we retain the penalty of imprisonment, it will be impossible to rely on other than a jury to determine the guilt or otherwise of the parties. But it seems to me that that difficulty might be overcome—I do not know whether the Attorney-General was present when I commenced my remarks—

Mr. ISAACS.—No.

Mr. WATSON.—The honorable member for North Sydney has been putting before the Committee the possibility in some instances of juries deciding cases in accordance with State prejudices, and of conflicting decisions being arrived at in the different States with respect of the same set of facts. I admit that that possibility is a highly undesirable one.

Mr. FISHER.—It involves the fundamental principle underlying the system of trial by jury.

Mr. WATSON.—No. The difficulty in this case is altogether different from that which arises under ordinary criminal law. One jury pronounces in respect of a particular set of facts concerning the individual, and the case is then finally disposed of. But, under this clause, it seems possible for attempts to be made to bring a combination to book in different States at different times. The choice could be made of the State in which it would have to answer to a certain complaint. That is to say, in the first place, it would lie with the parties bringing the complaint, and in the second with the Attorney-General, to determine which State should be the battleground with any particular combination. There is nothing in this clause to insure that it must necessarily be the State in which the combination has its head office.

Mr. DUGALD THOMSON.—The administration would be affected by the decision, too.

Mr. WATSON.—Yes. The suggestion which I have put forward, in a purely tentative fashion, is that the difficulty might be overcome by abolishing the penalty of imprisonment for the first offence.

Mr. ISAACS.—We propose to do that in the list of amendments which we have circulated.

Mr. WATSON.—I was not aware of that. If the penalty of imprisonment for the first offence be abolished, there is no objection to the Justices of the High Court deciding these cases. We could then rely upon a uniform method being applied to their consideration, and upon an answer

being given by the High Court that would cover the whole of the Australian ground.

Mr. DUGALD THOMSON.—Then the jury would merely have to decide upon the repetition of the offence.

Mr. WATSON.—I would go further, and for a repetition of the original offence I would prescribe the penalty of imprisonment.

Mr. ISAACS.—It could not be made an indictable offence without the constitutional provision applying that it must be tried by a jury.

Mr. WATSON.—But could we not remove any question of an offence being considered an indictable one upon the first occasion? Could we not make a persistence in defying the law an indictable offence? I have not thought the matter out in detail, but that seems to me to be possible. If by foregoing the penalty of imprisonment for the first offence—

Mr. DUGALD THOMSON.—The Attorney-General says that he intends to submit an amendment to that effect.

Mr. WATSON.—That will meet the preliminary offence.

Mr. FISHER.—Only in regard to imprisonment.

Mr. WATSON.—That meets the preliminary offence, which constitutes the indictable offence.

Mr. FISHER.—Imprisonment does not cover the whole ground.

Mr. WATSON.—It is the penalty of imprisonment which renders it necessary for us to have these cases tried by jury.

Mr. ISAACS.—Our proposal is embodied in clause 11B, which reads—

The penalty of imprisonment shall not be inflicted upon any person upon his first conviction for an offence under this part of the Act.

We then go on to provide that upon conviction a Judge may grant an injunction to restrain the continuance or repetition of an offence.

Mr. WATSON.—That provision would not interfere with what I previously suggested.

Mr. ISAACS.—We straightway substitute an injunction for the penalty of imprisonment.

Mr. WATSON.—What I am aiming at is the desirability of obtaining a decision which will be good law, and final, so far as we can insure finality throughout Australia—a decision which will be free from any local prejudices, so far as the individuals comprising the tribunal are

concerned. I recognise that legitimate objection can be urged against a jury being called upon to consider a matter in one State, which may affect them in their individual businesses in a different way from that in which it may affect them in another State. The only way that I can see of overcoming that difficulty is by altering the penalty in such a way as to render it possible for the whole matter to be remitted to the High Court. If the Attorney-General says that that cannot be done, or that he sees very grave reasons why it should not be done, I bow to his judgment. But it does seem to me desirable that we should aim at securing uniformity in the determination of matters of such grave importance as are involved in this Bill.

Mr. JOHNSON (Lang) [4.43].—The suggestion of the honorable member for Bland to overcome the difficulty which has presented itself in connexion with this clause is one which many honorable members will feel disposed to support, as being less objectionable than the original proposal. With regard to the clause itself, I should like to point out that it is self-contradictory in character. It aims ostensibly at the repression of monopolies, and so far as the first portion of it is concerned, an attempt is made in that direction. But in paragraph *b* we find that the effect, if not the intention, of the clause will be to establish monopolies instead of repressing them. Let us examine the provision as it stands. It says—

Any person who wilfully, either as principal or as agent, makes or enters into any contract, or is a member of or engages in any combination to do any act or thing in relation to trade or commerce with other countries or among the States—

(a) in restraint of trade or commerce to the detriment of the public.

That is aimed at preventing persons who are so engaged from combining for that purpose, and it is made a punishable offence to combine for the purpose of restraining or doing anything that would tend to restrain trade or commerce with other countries. With that purpose I am in accord; but when we pass on to paragraph *b* of the clause, we find that it contains these words—

Or with the design of destroying or injuring by means of unfair competition any Australian industry the preservation of which in the opinion of the jury is advantageous to the Commonwealth, having due regard to the interests of producers, workers, and consumers.

It will be seen that the first part of the clause is directed to outside combinations having for their object the attempt to restrain trade or commerce with other countries or between the States. But the second part makes it a penal offence for persons to combine to do exactly the opposite to that, and to facilitate free competition among industries within the States. Because any person who combined for the purpose of destroying or injuring any industry by means of what is loosely termed unfair competition would be liable to the penalty. What is unfair competition? I suppose that if it could be shown that any competition had the effect of lessening the profits of those engaged in the industry or lessening the price at which the article could be sold to the consumer, it would be deemed to be unfair competition; at any rate, competition which would prejudicially affect the industry concerned would undoubtedly be so regarded. Whilst under the first part of the clause any attempt to restrain or to interfere with trade or commerce is made a penal offence, under the second part any attempt not to do that, but to do something which would facilitate and extend trade and commerce and cheapen the prices of commodities is treated in a like manner. In other words, whereas the first part of the clause is really aimed at the repression of monopolies, the second part, though it might not have been so intended, would unquestionably facilitate the establishing of monopolies, and, certainly, it would make in that direction, because if any combination of persons is to be penalised for entering into or intending to enter into competition with an established industry, then the inevitable result would be to establish a monopoly so far as that industry was concerned, by penalizing and preventing competition. Of course, I know that those who are responsible for the Bill will answer that what is meant is unfair competition. But what is unfair competition? It ought to be clearly defined in the Bill. But we cannot drag from the Minister any positive, tangible definition of the words "unfair competition." Every one must recognise that any competition which reduced the price of an article, or ousted from the market the manufacturers, producers, or sellers of any article connected with an established industry in Australia, would be deemed to be unfair competition. In other words, all successful competition would be deemed to be unfair competition, and, in the circumstances, punishable as prescribed in this

clause. I submit that this is topsy-turvy legislation. While the first part of the clause makes it a punishable offence for any combination to do anything to destroy or injure trade or commerce with other countries or among the States by means of restriction—to do anything in restraint of commerce or trade—

Mr. ISAACS.—To the detriment of the public!

Mr. JOHNSON.—All restrictions upon trade or commerce, whether by private combination or by Tariffs, are detrimental to the public. The second part of the clause has an absolutely contrary effect, because it makes it a penal offence for persons to promote competition.

Mr. ISAACS.—It follows a great number of the American State laws, which make it penal to enter into combination with a wicked intent—either to increase or reduce the price of goods.

Mr. JOHNSON.—Will the Attorney-General say that a reduction in the price of goods would be to the detriment of the public?

Mr. ISAACS.—Taken by itself, it would not, but taken in conjunction with other circumstances, it might.

Mr. JOHNSON.—I can understand that an increase in the price of commodities would be to the detriment of the public. I can also understand the need and the desirability of legislation which aims at preventing any combinations that would tend to keep up the price of goods to the detriment of the public.

Mr. ISAACS.—The honorable member is acquainted with the old practice of running a coach off the road. In the same way, a combination might run the Australian industrial coach off the road.

Mr. JOHNSON.—When a State runs a railway from one part of the country to another, does it not have exactly the effect which the honorable and learned gentleman points out?

Mr. ISAACS.—That is a public railway.

Mr. JOHNSON.—Whether it be a public or private railway, the effect is the same, the coach is run off the road, and nobody complains, because it is recognised to be to the public advantage.

Mr. ISAACS.—The State does not put up the price again to the public as the successful rival of a coach proprietor would do.

Mr. JOHNSON. — The running of a coach off a road by a rival does not neces-

sarily mean an increase of the fares afterwards. During the period of rivalry, of course, the effect is to reduce the fares and freights.

Mr. ISAACS.—For the time being.

Mr. JOHNSON.—Admittedly, for the time being, and probably permanently, though perhaps not to the same degree, because, as soon as the successful competitor acquired a monopoly and started to increase the fares or freights, it would naturally excite other persons to compete, with the result that the fares and freights would be brought down again to the proper level.

Mr. ISAACS.—That is Adam Smith's doctrine, but it is not borne out in practice.

Mr. JOHNSON.—I disagree entirely with the Attorney-General in that regard, because it is a natural law inseparable from competition. As soon as a firm has started in an industry which shows a good opening for the investment of capital, then we immediately find that others are willing to emulate that example, and try to establish a rival trade, and the natural result of the competition is to bring down the prices. Where there is only one person in possession the price can be kept up as high as the public will stand it, because the public have no alternative but to submit; but as soon as a competitor appears, then, in order to secure any trade, the first man must lower his prices to the level of his competitor. That is the only means by which he can acquire a fair share of the trade. On the other hand, if his prices were kept up, he would be run off the market, and the business would be left to his rival. In this Bill, however, we are attempting, by artificial means, to interfere with natural laws, and the result must inevitably lead to nothing but confusion and disaster. I cannot conceive how the public could be hurt or injured by any competition among producers or importers, which would have the effect of lessening the cost of goods to them. Any competition which reduced the cost of goods to them, must mean an increase in the purchasing power of their money, and I am astounded to find the Labour Party, and especially its free-trade section, supporting such monstrous proposals, inflicting untold hardship on the poorer classes. Paragraph 3 of this clause deals with three conflicting sections of the community whose interests have to be regarded. I admit at once that the producers, workers, and consumers may be perhaps all the same people, but not in their capacities

as producers, workers, and consumers. Every producer, like every worker, is a consumer. But still this paragraph deals with them in their separate capacity as producers, workers, and consumers. I can conceive of a combination—in fact, such combinations are known to be in existence—for the purpose of preserving alike the interests of the producers and workers in the way of profits and wages. The only way in which those interests could be preserved would be by regulating the output of an article, and keeping up prices. But the very process of doing that would have a detrimental effect so far as the consumers were concerned, because they would have to pay more for the product than otherwise they would be called upon to do. A combination of this kind therefore, while it would have a beneficial effect upon the producers and workers, would have an injurious effect upon the consumers. How then would it be possible to conserve alike the interests of the producers, the workers, and the consumers when two of them were in conflict with the third? The only result of such an attempt would be to give one section an advantage at the disadvantage of the others, or two sections an advantage at the expense of the third, or to deprive them of an existing advantage in order to equalize matters by giving an advantage to the one which in other circumstances would be at a disadvantage. Undoubtedly in its operation the clause would override any provision in regard to the Tariff, because it would throw into the hands of an irresponsible tribunal—that is, one irresponsible to the people—absolute power to prohibit imports, and restrict trade and industry also within our own borders. As the honorable member for Perth pointed out on the second reading, this provision amounts to “protection run stark, staring mad.” The provision aims at doing something which Parliament itself has refused to do, and which Parliament would, I believe, always refuse to do, namely, to interfere with trade and commerce to the extent of absolute prohibition. Any such proposal ought to be resisted by every honorable member, irrespective of the political party to which he may belong. It would take out of the power of Parliament the control of matters which should come properly and solely within its jurisdiction, and give the control into the hands of a tribunal not responsible, either directly or indirectly, to

Mr. Johnson.

the people. For that reason, I am strongly opposed to the latter portion of this clause. As to importations, no doubt a number of commodities come into the country under specially favorable conditions of transit. We know, for instance, that there are Australian pianos sold at a certain price, and that there are other pianos made by firms in other countries which are better, I am informed, than the locally-made articles, and which could be landed here at a much lower cost.

Mr. WATSON.—Why were those pianos not landed at a lower cost before local instruments were produced? Pianos are cheaper to-day than ever before.

Mr. TUDOR.—The ring must have been burst up.

Mr. JOHNSON.—I was not aware that there was a ring. Nor do I believe there was one; but what is very clear is that pianos came here cheaper, not because of local competition, but because of outside competition, which is still going on. But who gets the benefit of the cheapness? Is it not the purchaser? Why should the purchaser of a piano be debarred from getting his instrument at the cheapest possible price?

Mr. WATKINS.—The honorable member apparently wants to revert to the old conditions under which importers could demand high prices for pianos.

Mr. JOHNSON.—In the face of active competition, unduly high prices cannot be obtained; but this clause will, if carried, at once put up prices to a monopoly level. All I assert is that we ought to have a free and open market. If locally-made pianos can be produced as good and as cheaply as instruments can be imported, by all means let the local industry go in and win. The locally-made article would, under such circumstances, be more readily purchased than the imported article.

Mr. TUDOR.—The honorable member would like to see Australians reduced to the sweating conditions which prevail abroad.

Mr. JOHNSON.—Abroad! Yes; in protectionist countries. The honorable member is talking pure clap-trap—no other word could be more fittingly applied to the utter nonsense to which he and his fellow protectionists so frequently give utterance. The honorable member for Yarra knows that the cost of producing an iceberg on the equator would be infinitely greater than getting natural ice from the Arctic zone,

but the labour and capital involved could be employed to much better advantage in an industry more natural to a tropical climate.

The ACTING CHAIRMAN (Mr. MAUGER).—How does the honorable member connect his remarks with the proposal in regard to the word "wilful"?

Mr. JOHNSON.—I submit that I am not bound to confine my remarks to that proposal.

The ACTING CHAIRMAN (Mr. MAUGER).—Will the honorable member address the Chair, and connect his remarks with the matter under discussion?

Mr. JOHNSON.—Certainly. I am referring to the honorable member for Yarra in the third person; and what I understand by "addressing the Chair" is not to directly address an honorable member. I know that the Acting Chairman has certain fiscal proclivities, but I hope he will forget them while he is in the Chair.

Mr. TUDOR.—That is a reflection on the Chair!

Mr. JOHNSON.—If I am to be called to order when I am dealing with an economic law affected by this clause, I think I am not being treated quite as I ought to be treated; however, let that pass. What I was saying was that it is much easier and cheaper to produce ice under natural conditions favouring its production than to produce it in equatorial regions.

Mr. WATKINS.—The honorable member is making a big jump from pianos to ice!

Mr. JOHNSON.—It is only by way of illustration. If articles can be locally manufactured as well and as cheaply as they can be imported, there is no reason why local manufacturers should not proceed to work. But when local manufacturers ask us to prohibit the importation of goods, in order to give them a monopoly, and to enable them to increase the price to the purchaser, we have no right, in the interests of the public, to grant such a request. That is the application of my illustration. The purpose of the second part of the clause is to give a monopoly to certain people in Australia who have industries already established, by preventing others in Australia from establishing other industries likely to come into competition with them. Special mention has already been made of a certain harvester company. Under the Bill, if any combination of manufacturers of harvesters were to be brought into existence for the purpose of producing harvesters

which could be sold at a cheaper price than those of the Sunshine Company, that company could take action with a view to prevent any such proceeding on the part of their intended rivals. It is not even necessary to await the establishment of a rival industry. Any persons who enter into a combination with the design of establishing another industry of the same character are liable to penalties under the Bill.

Mr. ISAACS.—No.

Mr. JOHNSON.—We have just had a statement to that effect from the Minister of Trade and Customs.

Mr. ISAACS.—I think the honorable member must have misapprehended the Minister.

Mr. JOHNSON.—If a combination of persons, willing to invest capital in the manufacture of harvesters, were to come into competition with the Sunshine harvester, with the intention to sell a similar article at a cheaper price, such competition must necessarily injure the business of Mr. McKay.

Mr. ISAACS.—This is not a Bill for the protection of any particular person's business, but a Bill for the protection of Australian industries as a whole.

Mr. JOHNSON.—As a whole; but the Minister of Trade and Customs just now gave us the very illustration I have mentioned. The honorable gentleman said that if the competition could be shown to be unfair—that is, that the combination was intended to cut down the price of the article—he would take action to prevent that being done.

Mr. ISAACS.—If the combination were for the purpose of destroying an Australian industry.

Mr. JOHNSON.—If it were for the purpose of injuring or destroying an industry; and any competition must injure an industry.

Mr. ISAACS.—No.

Mr. JOHNSON.—I must differ from the Attorney-General there. If I am manufacturing a certain article, and another person succeeds in cutting into my market, he injures me in my industry to the extent of his success; for the measure of his success must be the measure of my failure, and to that extent my injury. I maintain that under this clause, any such competition would be comprehended, and the combination so offending could be mulcted in penalties. Will the Attorney-General deny that?

Mr. ISAACS.—That is not correct, I can assure the honorable member. The view of the honorable member is, perhaps, not unnatural, but he is confusing an individual business with an Australian industry.

Mr. JOHNSON.—The clause deals with persons who combine to do certain things with the design of destroying or injuring, by means of unfair competition, any Australian industry, the preservation of which is advantageous to the Commonwealth.

Mr. ISAACS.—That shows that the clause does not refer to any individual person's particular business.

Mr. JOHNSON.—It cannot be said for a moment that the harvester industry is not an individual business, and yet it is equally clear that it is an Australian industry. At any rate, this point was raised a while ago, and I certainly understood the Minister of Trade and Customs to say that, in a case of the kind, certain steps would be taken under the provisions of the Bill. It would be interesting to know who is right. With all due deference to the Attorney-General's legal knowledge, which I cannot pretend to dispute or impugn, I still think the clause is capable of the interpretation I have placed upon it, and it is an interpretation which the Minister of Trade and Customs has admitted to be correct. It is very confusing to have two Ministers piloting this Bill who give conflicting interpretations as to its provisions, scope, and purposes. I am in agreement with the general purpose of the first part of the clause, but I regard the second part as most dangerous, and in absolute contradiction of the first part. The first part aims at combinations in restraint of commerce and trade with other countries, while the second part is aimed at combinations which promote competition, and thus prevent restraint. One part is diametrically opposed to the other, and I understand that the honorable member for North Sydney proposes, therefore, to omit sub-clause *b*. I intend to submit a further amendment, but at present will only indicate its purport. My proposal is after the word "of," in sub-clause *b*, to omit all the words, with a view to substitute "preventing the manufacturer or vendor of goods from freely offering his wares for sale"; or—

c. Preventing the consumer or purchaser from obtaining his goods on the most favorable terms offered by fair competition in the open market.

I do not wish to say more at the present stage, further than to express the hope that

the clause will be drastically amended. To pass the clause in its present form would simply be to empower certain irresponsible persons to seriously injure and paralyze the trade, commerce, and industry of the country.

Mr. ISAACS (Indi—Attorney-General) [5.13].—I think we might agree to strike out the word "wilful." Without in any way desiring to curtail the power of honorable members in the consideration of the clauses, I suggest that we first make the amendments on which we are agreed, and then proceed to the consideration of others in regard to which there may be difference of opinion. I think we ought to strike out the word "wilful," with a view to inserting later on, in sub-clause *a*, the words "with intent to restrain."

Mr. ROBINSON.—Did the Attorney-General not propose to put the words "with design" before the letter "*a*"?

Mr. ISAACS.—No. I wish to make it clear that the intent is important, and to repeat the word "intent" in both sub-clause *a* and sub-clause *b*. What I have said all along is that in my opinion the word "wilfully," once used, will cover the whole provision; but I want to make it perfectly clear. What I propose is to strike out the word "wilfully," where now used, and to insert in paragraphs *a* and *b* the words "with intent." There can be no doubt whatever that the act complained of will have to be done "with intent." Such an amendment will meet the views of all honorable members. The word "with intent" are more in consonance with the ordinary phraseology of the measure.

Amendment agreed to.

Mr. ISAACS (Indi—Attorney-General) [5.17].—I move—

That after the word "is," line 3, the words "or continues to be" be inserted.

I think that the clause as it stands would result in convicting any person who remained a member of a combination, of an act before this measure passed; but in order to make the meaning perfectly plain—in consequence of observations of honorable members who have spoken with regard to the Bill—I propose to make the clause read—

Any person who, either as principal or as agent, makes or enters into any contract, or is, or continues to be—

and so on; so that if there is a combination—such, for instance, as the tobacco

combine, which was formed before the passage of this measure—and the members of the combine continue to be members of it, they would be in no better and no worse position than if the combine were formed after the passing of the Bill.

Mr. JOSEPH COOK (Parramatta) [5.19].—The tobacco combine being in existence prior to the passing of this Bill will probably still be in existence after the measure is passed. I do not suppose that it is intended to make this legislation retrospective.

Mr. ISAACS.—No.

Mr. JOSEPH COOK.—The word “is”—the present tense—would apply in regard to that industry.

Mr. ISAACS.—Some of the legal members have pointed out that a combine might exist before the passage of this Bill, but the act complained of would be continuing to be a member of the combine after the Bill was passed. The word “is” refers not to the combine, but to the person.

Mr. JOSEPH COOK.—I see.

Amendment agreed to.

Mr. ISAACS (Indi—Attorney-General) [5.20].—The honorable and learned member for Northern Melbourne has suggested that we should strike out the words “to do any act or thing.” He pointed out that there might be a combination: not to do a thing. For instance, there might be a combination not to purchase or not to sell certain things. The measure should apply not only to combinations formed for the purpose of doing things, but also to those formed for the purpose of not doing things. I move—

That the words “to do any act or thing,” line 4, be left out.

Mr. ROBINSON (Wannon) [5.21].—This amendment raises a pretty important question, namely, the effect of the Bill upon certain retailers. Frequently such people enter into an agreement to deal only with a particular firm. That is to say, they obtain the exclusive agency for certain lines of goods, and agree in return to deal only with the makers of those goods. To do so is to enter into a contract “in restraint of trade,” undoubtedly.

Mr. ISAACS.—But not “to the detriment of the public.”

Mr. ROBINSON.—Take the case of brewers and tied-houses. I know that the brewing trade can gallop through this particular mischief without any trouble; but

there are manufacturers who make certain goods, and who may go to a shopkeeper in town and say: “If you will stock only our goods, and no one else’s, you shall have the exclusive agency.” It seems to me that possibly the proposed amendment might affect arrangements of that kind.

Mr. ISAACS.—They would all be governed by the intent—“intent to restrain to the detriment of the public.”

Mr. ROBINSON.—Of course, a jury would decide whether a particular trade agreement was “to the detriment of the public.”

Mr. ISAACS.—If it is unlawful to have a combination to do a thing, it must be equally unlawful to have a combination to refrain from doing it. If it is good in the one case it must be good in the other.

Mr. ROBINSON.—If we come to the conclusion that the words “to the detriment of the public” are the safeguard—and I am inclined to think that they afford the most logical safeguard—I agree that the words proposed to be omitted must go out.

Mr. ISAACS.—This is the old British safeguard.

Amendment agreed to.

Amendment (by Mr. ISAACS) proposed—

That the words “in restraint of,” line 7, be left out, with a view to insert in lieu thereof the words “with intent to restrain.”

Mr. JOSEPH COOK (Parramatta) [5.25].—I do not know how intent would be proved in this respect.

Mr. ISAACS.—This amendment is all in favour of the defendant.

Mr. JOSEPH COOK.—It may be in favour of the defendant, but, at the same time, the clause may operate against the defendant in respect of the facility with which he may be indicted.

Mr. ISAACS.—We do not want to make the mere fact that an Act is “to the detriment of the public” criminal; but if it is to the “detriment of the public” with intent, that has to be proved. There are to be two things—that the act complained of is “to the detriment of the public,” and that it is done “with intent.”

Mr. JOSEPH COOK.—Unless you can assail a man’s motive—

Mr. ISAACS.—Not motive, but intent.

Mr. JOSEPH COOK.—It comes to the same thing. If there is intent, there must be motive behind it. Unless you can assail

a man's intent, the most destructive monopoly may sail along. But what about the act which is the result of that motive?

Mr. ISAACS.—To take the act itself, without the intent, would make the measure much more severe.

Mr. JOSEPH COOK.—The act itself may be of a destructive character, but the intent may be perfectly innocent.

Mr. ROBINSON.—Intent is proved from the act.

Mr. JOSEPH COOK.—A man may be acting to the detriment of the public and doing it unintentionally.

Mr. ROBINSON.—But the act shows the intent and the motive will be inferred from the act.

Mr. JOSEPH COOK.—Suppose a destructive monopoly is indicted, and that it is indicted because it is destructive; and suppose that the defendant says, "I did not do it; I was not aware that this kind of thing was going on."

Mr. ROBINSON.—He would not be guilty.

Mr. JOSEPH COOK.—But the thing itself continues.

Mr. ROBINSON.—No, because after that the man would know that the act was guilty, and therefore he would be doing it with knowledge.

Mr. JOSEPH COOK.—He may step out, and some one else may continue to do the act complained of. The essence of the clause seems to be the man and his intention, and not the act itself.

Mr. ROBINSON.—In every criminal case you have to prove intent; and quite rightly.

Mr. JOSEPH COOK.—Is this a criminal matter?

Mr. ROBINSON.—It is under this Bill.

Mr. ISAACS.—In America, the Sherman Act makes the thing complained of criminal without intent, but I insert the word "intent," which is wholly in favour of the defendant.

Mr. JOSEPH COOK.—The Sherman Act does not seem to be having much effect in America. The trusts are sailing ahead there, with all their sails set, in spite of Sherman Acts, Wilson Acts, and all the rest of them.

Mr. ISAACS.—It may be the same here, but we hope not.

Mr. JOSEPH COOK.—At any rate, if we are to deal with this matter, if destructive monopolies exist, had we not better be sure we are not going through an ordinary barren farce in regard to them. A man may simply say, "I did not know it was loaded; I did not know I was doing

wrong at all; I did not know that what is complained of was a destructive monopoly; I thought I was doing a perfectly harmless simple thing." The thing itself would continue, because it was done unintentionally. I understand that in America it is quite a common thing to keep changing the *personnel* of the trusts so far as their government is concerned. For instance, the other day I saw that some offenders were sent to gaol and others were fined huge amounts, but the trusts still sail on. Fines are simply a flea-bite to them. The evil itself does not appear to be impeded in the slightest degree. I take it that what the Ministry want to do here is to control the thing in itself; and I do not know that the intentions of the individuals will have very much effect in that respect, judging from experience.

Sir JOHN QUICK (Bendigo) [5.30].—I desire to make this part of the Bill as complete and effective as it is possible to make it. As to the rest of the measure, I am indifferent, because I do not think that much good will be derived from it. However, some good may be expected from that portion which relates to combines acting in restraint of trade, and I think that there is a good deal in what the acting-leader of the Opposition has said about the effect of the proposed amendment. The amendment will operate in favour of combines, and may have the effect of almost neutralizing the intention of honorable members in agreeing to the second reading of the Bill.

Mr. ISAACS.—I would remind the honorable and learned member that we have struck out the word "wilfully."

Sir JOHN QUICK.—I know that. In my opinion, the effect of the proposed amendment will be to render the Bill absolutely valueless, because, to make its provisions effective by securing convictions, something more than the acts of a combination will have to be proved; its express intention to restrain trade must also be proved. It will, however, be very easy for the combination aimed at to say, "We do not intend to restrain trade. We merely intend to protect our own interests, and to have a common understanding amongst ourselves." A number of motives may have led to the combination, and it may be shown to the Court that the primary motive was the protection of the business interests of the members of the combination by the prevention of cut-

throat competition. The mere fact that, incidentally to the operations of the combination, trade is restrained, will not bring its members within the scope of the clause. If the amendment is agreed to, the clause will be interpreted to mean that, unless the primary motive of a combination is to restrain trade, its members cannot be brought within the scope of the measure. If its dominant motive is to protect the interests of its members, and, by regulating prices, to avoid cut-throat competition, its members will escape scot free. If the Sherman Act, which does not contain words requiring the proof of intention to restrain trade, has been ineffective and inoperative, not answering the expectation of its framers, how much more will this measure be an abortion, requiring, as it does, proof of an express intention to restrain trade? Take the case of the reaper and binder agreements, or the harvester agreements, about which we have heard so much, and in regard to which I have a very strong opinion. If there were a prosecution of persons acting in combination in regard to the sale of reapers and binders, they could say, "We have entered into an understanding to fix the price of reapers and binders at £36 each, and to sell neither above nor below that price; but it is not an agreement in restraint of trade. We do not intend to restrain trade. We have merely entered into an understanding among ourselves not to sell our machines at more nor less than a certain price." If the words proposed to be inserted are inserted, the whole of these clauses will lamentably break down.

Mr. KELLY (Wentworth) [5.35].—I understand that the object of the Attorney-General, in moving the insertion of these words, is to insure that practically every member of the community shall not be sueable under the clause.

Mr. ISAACS.—The object is not to make criminals of men who are not criminals.

Mr. KELLY.—I understand that the Attorney-General wishes to insert these words because he feels that so many persons are brought within the comprehension of this measure that some such safeguard as is proposed is necessary. In my opinion, we are now reaching a stage when it would be worth while to consider the whole structure of the Bill.

The CHAIRMAN. — The honorable member would be out of order in doing so now.

Mr. KELLY.—Yes; but I wish to show how this particular proposal must necessarily bring into our minds considerations of that wider character. The Attorney-General, by making the scope of this measure so wide, has brought practically every member of the community within its possible embrace, and now, in order that the public shall not be unduly harassed, he wishes to adopt safeguards which may prevent us from getting at the guilty persons whom we wish to punish. In framing legislation of this character, we should be extremely careful that the only persons affected are those at whom we are hitting.

Mr. ISAACS.—Whom does the honorable member wish to hit?

Mr. KELLY.—Destructive monopolies. To insert words of the character proposed would make it almost impossible to strike the destructive monopolies which we wish to strike, because if "intention" had to be proved against them, as well as the offence itself, a conviction would never be obtained. The procedure provided for is therefore impracticable. As the honorable member for Hindmarsh has pointed out, persons arrested for drunkenness and disorderly conduct have not generally commenced the day's expedition with the "intention" of becoming drunk, but they are nevertheless punished for their offence. Under the clause as it is proposed to amend it, however, it will be necessary to show, not only that action has been taken in restraint of trade, but that it was taken with the design of restraining trade. The onus of proof differs in paragraphs *a* and *b*, resting on the plaintiff under paragraph *a*, and on the defendant under paragraph *b*. If it will be difficult for the plaintiff, under *a*, to prove design on the part of the defendant, it will be equally difficult for the defendant, under *b*, to prove absence of design. It seems to me that we have made a difference between the procedure under the two paragraphs which should not have been made. The more important object in view is to prevent restraint of trade in the Commonwealth, and the less important object to prevent unfair competition. The Bill, however, is drafted with the intention of imposing insuperable barriers to unfair competition, while it allows trade to be restrained unless the intention to restrain is proved, which will be a matter of the greatest difficulty. The clearest explanation is needed before the Committee can be fairly asked to decide the question.

Mr. ISAACS (Indi—Attorney-General) [5.39].—I do not intend to discuss the general principles of the Bill. We have passed the stage when such a discussion will be in order, while the discussion of the clause as a whole can be undertaken later on. What I propose to do now is to address myself to the question of intent. I should like to point out to the honorable and learned member for Bendigo what will be the position if we do not insert the words which we propose to insert. A number of traders, honestly desirous of carrying on their business to their own advantage, but with a due regard to the public interest, and without endeavouring to break down Australian industries, or to do anything to the detriment of the public, may go to their solicitor or counsel, and say to him, "We do not wish to do anything illegal. We wish to honestly advance our interests without prejudicing the public welfare." Their legal adviser may thereupon set to work to properly and thoroughly provide for the carrying of their intentions into effect; but if it turns out that something is done in restraint of trade, and to the detriment of the public, those concerned, although actuated with the best intentions, will be obnoxious to the clause as it stands, and may be branded as criminals. I do not think that that is desired, and it therefore becomes necessary to insert the words "with intent," in order that persons who are free from criminal intent may not be branded as criminals.

Mr. HUTCHISON.—Then a Judge may have to tell a man whose business has been injured that there is no remedy, because the injury was not done designedly.

Mr. ISAACS.—At the present moment, we are dealing with the incrimination of men; with the question of criminal consequences. The matter to which the honorable member refers will be dealt with when we come to consider subsequent clauses.

Mr. HUTCHISON.—It appears not to matter if a man has lost his business by the action of a combination.

Mr. ISAACS.—Incidents such as the honorable member has in mind are of every-day occurrence. Let me take a simple case to exemplify what I mean. If the honorable member were to enter a shop, and purchase something about which the vendor made some statement as to quality or make, honestly believing what he said to be true, an action of damages could not be brought against him—putting out of con-

sideration the question of warranty—if his statements turned out to be untrue. If, however, the statements were fraudulent, an action would lie. It is a well known principle of law that, in many instances, consequences have to be endured if there was no fraud, while a remedy is given if fraud was an element in the transaction. It is perfectly consistent with that principle that in the case which the honorable member has in mind, a man shall not be able to recover damages for consequences suffered through the honest action of others, although he would be fairly entitled to compensation if the results from which he suffered were caused by their dishonest actions.

Mr. HUTCHISON.—Then a combine is to do what it likes without fear of consequences.

Mr. ISAACS.—Not what it likes. If its intention is to injure the public, or to destroy an industry, it can be punished under this provision as it is proposed to amend it; but I cannot assent to the proposition that men should be committed to gaol, or branded as criminals, although they have honestly tried to carry on their business without detriment to the public and without destroying an Australian industry.

Mr. McWILLIAMS.—I am glad to hear the honorable and learned gentleman say that.

Mr. ISAACS.—I have said it all along. That has been my contention from the first.

Mr. HUTCHISON.—Then this will be a wretched piece of legislation.

Sir JOHN QUICK.—The Government may as well abandon the Bill.

Mr. ISAACS.—It will not be necessary to give direct evidence of intent. It is a well known principle of law that a man's actions may indicate his intent much more clearly than his words have done. When men are indicted for conspiracy, direct evidence of intent cannot be procured in ninety-nine cases out of one hundred.

Mr. HUTCHISON.—But men who have no wrongful intent may be convicted.

Mr. ISAACS.—A man is presumed to intend that which naturally follows as a consequence of his acts. A man is presumed to intend to bring about the natural consequences of his acts. Therefore, it is not necessary, even in cases of conspiracy, to prove directly—of course that would be impossible—what intent a man has: but convictions are constantly being obtained.

When a man's acts are such that the jury would naturally say that no man in his sound and sober senses would have committed them unless he had a certain intent, the jury are at liberty to deduce that he had such an intent. It is not necessary to produce written or verbal evidence as to intent, because very often the bargains of conspirators are made in secret. But when their acts and the relations of their acts to the things which they are proved to have done are made plain, the jury are asked to come to a conclusion as to the intention behind the act. We are taking a distinct step which I think will prove extremely effective and beneficial. Experience may show that we shall require to strengthen the law; but I would much rather see the law strengthened hereafter than pass an enactment at this stage that might involve innocent persons in irreparable consequences. I think it is fair to say that if we can prove that men have banded together and have, in fact, made a contract that proves to be in restraint of trade to the detriment of the public, we ought to take into account very few circumstances, indeed, beyond those upon which a jury could honestly and fairly arrive at a conclusion one way or the other as to the intent.

Sir JOHN QUICK.—Are the words "with intent" in the Sherman Act?

Mr. ISAACS.—No; I have already explained that they are not.

Sir JOHN QUICK.—Has the Sherman Act proved ineffective?

Mr. ISAACS.—So far as I know, there has never been a case of actual prosecution under the Sherman Act; but there has been an application for an injunction. The American Courts have stated that if a contract is in restraint of trade, whether or not the contract is beneficial or detrimental to the public, it must be repressed.

Mr. HUTCHISON.—Does the Attorney-General think that there is no restraint of trade in America?

Mr. ISAACS.—No doubt there is. Of course, it is for the Committee to say whether they will agree to the insertion of the words "with intent." But I think that it would be unjust to hold persons liable in cases where it can be shown that they have no improper intent. Unless the words are inserted, it might, in effect, be said to a man, "You may do everything in your power to arrive at an agreement that you think will be beneficial to the public and

advantageous to yourself. You may have your legal advisers to construct an agreement that will not have the effect of destroying or injuring Australian industry and yet you may be involved in criminal consequences." Although there is no reference to intent in the Sherman Act, necessary, in cases of conspiracy, to prove intent. You cannot have conspiracy without intent.

Mr. HUTCHISON.—But it is not those who enter into conspiracies who commit offences.

Mr. ISAACS.—The law would apply to any person who might enter into a conspiracy to effect the purposes against the accomplishment of which the Bill is directed. We are embarking upon new and strong legislation—not a bit too strong to enable us to combat the evils against which I am aimed—but I regret to say that I cannot take the same view as the honorable learned member for Bendigo and the honorable member for Hindmarsh. Experience may show us that the evils are great, and the resistance is so strong, that more drastic legislation is needed, but at present I am not in a position to advise the Committee that we should make the fact of restriction of trade to the detriment of the public a criminal offence.

Mr. HENRY WILLIS (Rober [5.51].—I am glad that the discussion has made some impression upon the Attorney-General. I think that the words "with intent" should be inserted, because before a person is rendered liable to imprisonment it should be proved against him that he has a criminal intent. It must be remembered that under the clause as amended any person who continues to be a member of a trust after the passing of the Act will be liable to a penalty of £500, or to twelve months' imprisonment. Although the Sherman Act does not include any reference to intent, it is really more drastic than the measure now before us, because under the Bill it must be proved to the satisfaction of the Attorney-General that a man has a criminal intent before he will file a bill under Section 1 of the Sherman Act reads—

Every contract, combination in the form of trust or otherwise, or conspiracy, in restraint of trade or commerce among the several States with foreign nations, is hereby declared illegal. Every person who shall make any contract or engage in any such combination or conspiracy, shall be deemed guilty of a misdemeanour, and, on conviction thereof, shall be punished by a fine not exceeding \$5,000,

imprisonment not exceeding one year, or by both said punishments, in the discretion of the Court.

That is the provision upon which the clause now under discussion is based. But the second part of the Bill is more comprehensive than the Sherman Act, and I think that we should guard as far as possible against the punishment of innocent persons, who may become involved in operations which are injurious to an industry and detrimental to the public. I agree with the honorable member for Hindmarsh that it would be very hard to indict a person under the clause, and I am glad that that is the case, because unless it can be shown that a trust is injuring trade and commerce to the detriment of the public, I take it that it is legitimate trading combination. No person should be liable to be branded as a criminal merely because he is engaging in honest trade operations. I am very pleased that the deputy leader of the Opposition has accepted the amendment proposed by the Attorney-General, and that the latter has been impressed by this discussion.

Mr. ISAACS.—The honorable member apparently misunderstands the position. The word "wilfully" has been struck out, although we considered it would have the same effect as the words "with intent." It was pointed out by the honorable and learned member for Corinella and the honorable and learned member for Northern Melbourne that the word "wilfully" would not enable us to accomplish our purpose, and I have substituted other words which I think will prove effective.

Mr. HENRY WILLIS.—We are legislating with regard to matters which will have to be determined by a Judge and jury, and if I were acting as a jurymen I should say that a person was not guilty unless he had aimed at bringing about injurious results. The clause, as amended, will be an instruction to jurymen, and will certainly be an improvement upon the original form. It will make the provision less stringent, and at the same time sufficiently comprehensive.

Mr. JOSEPH COOK (Parramatta) [5.54].—Under all the circumstances, I shall, of course, be glad to see the amendment made. Owing to the very wide scope of the measure, the Attorney-General is apparently becoming afraid of the severity of the penal clauses. As I have pointed out, this provision might allow trusts

whose operations are attended with very destructive consequences to escape by pleading that they knew nothing about the results that would follow from their actions. Moreover, one man might be punished and the trust might still go on. All the modifications we are now making are the more necessary because the Bill applies to all the ordinary competitive enterprises of our industrial life. We should be very careful how we punish persons whose only crime is that they are successful in their enterprises. The Attorney-General is creating a new set of offences, and it is no wonder that he should aim at making the penalties as light as possible, and also take upon himself the burden of proof of design. I should prefer to eliminate from the Bill all these references to ordinary competition. The term "restraint of trade to the detriment of the public" is wide enough to include all the trust operations about which we need concern ourselves. The Bill has an unmistakable fiscal intent and purpose, and therefore we should tone down the penalties.

Mr. HUTCHISON (Hindmarsh) [5.58].—I am unwilling to enact legislation that will create new offences unless the offender is to be held responsible for his act. The honorable and learned member for Northern Melbourne stated that he believed there were men who honestly wanted to obey the law, and he suggested that agreements might be submitted to the Minister. I am not in favour of that suggestion. If we adopted the view of the Attorney-General, a man who honestly wanted to do what was fair might be indicted for conspiracy and convicted.

Mr. ISAACS.—No.

Mr. HUTCHISON.—The Attorney-General says that a man may be brought before the Court, and indicted for intent in accordance with his actions, although personally he may have had no intent to injure anybody. Similarly the honorable and learned member for Northern Melbourne believes that there are business men who would enter into an agreement with no such intent.

Mr. HIGGINS.—Suppose that the word "intent" were eliminated, what chance would the honest man have?

Mr. HUTCHISON.—In the absence of that word we should simply create an offence under this Bill, and I contend that if an offence is committed the transgressor should be punished.

Mr. HIGGINS.—The whole question is, "What is the offence to consist of"?

Mr. HUTCHISON.—The offence consists of proof that two individuals or a corporation are injuring an industry.

Mr. HIGGINS.—But the honorable member would not make men criminals unless they meant to injure the public?

Mr. HUTCHISON.—Exactly, and they would not be made offenders under this clause unless it were proved that they were hurting the public.

Mr. HIGGINS.—But if they hurt the public without meaning to do so, would the honorable member put them in gaol?

Mr. HUTCHISON.—I should like to make the penalty for any first offence a very light one, but I should have no hesitation in prescribing imprisonment if a person offended a second time. We shall never prevent crime in certain circles until we put the offenders in gaol. I believe with the late Mr. Seddon that that is the only cure for them. We have no hesitation in committing men to gaol for offences which are paltry as compared with that of ruining a man in his industry.

Mr. HIGGINS.—Can the honorable member cite an instance in which we put men in gaol who had no intent to do wrong?

Mr. HUTCHISON.—I have already given an instance. If a man unwittingly gets the worse for liquor, and is arrested, he is committed to gaol should he be unable to pay the fine imposed.

Mr. HIGGINS.—I suppose that he intends to drink?

Mr. HUTCHISON.—A man may meet a few friends, and out of pure sociability he may take more liquor than is good for him, but if that plea were raised in the police court it would be scouted. Under the Government proposal a man in charge of a business, a number of workers, and their wives and families may be injured with impunity, simply because it cannot be proved that the authors of that injury inflicted it designedly. I do hope that the Committee will prevent the insertion of these words in the clause.

Mr. HIGGINS (Northern Melbourne) [6.4].—I feel very strongly upon this matter. I referred to it during my speech upon the second reading of the Bill, and I do think it is owing to a misunderstanding that any honorable member can seriously propose to commit a man to gaol where the issue is so vague and so diffi-

cult to determine as is the meaning of the phrase "to the detriment of the public."

Mr. HUTCHISON.—Let us impose a fine for the first offence, and prescribe gaol for the second.

Mr. HIGGINS.—I understand the honorable member's view, but I do not wish to see any man convicted—even fined—unless he is guilty of a malicious intent.

Mr. HUTCHISON.—The honorable and learned member means unless it can be proved that he has malicious intent. That is the difficulty.

Mr. HIGGINS.—The honorable member should recollect, however, that it is also difficult to prove that any action is not to the detriment of the public. It is far more difficult for a person to understand beforehand what will and what will not appear to a jury to be to the detriment of the public than it is for one to prove that he has been acting with a view to damaging the public.

Mr. HUTCHISON.—He would understand after his first conviction.

Mr. HIGGINS.—But I feel that we ought not to put the brand of conviction upon any man unless he has done something of which he should be ashamed. I would remind the honorable member—looking at the Crimes Act of Victoria, which is almost a copy of the Crimes Act of England—that half the offences therein specified have intent as an element. For instance, in the falsification of accounts by a clerk or servant—

Mr. HUTCHISON.—I never knew a clerk or servant to escape conviction upon the ground that he had no intent to falsify his accounts.

Mr. HIGGINS.—Let us suppose that a clerk or servant did falsify or mutilate his master's accounts or books, so long as it was not done with intent to defraud he would not be guilty of any offence.

Mr. HUTCHISON.—How often does that happen?

Mr. HIGGINS.—We all recognise that clerks do alter books.

Mr. HUTCHISON.—They must correct errors.

Mr. HIGGINS.—Exactly. But if a clerk altered his employer's books for the purpose of correcting an error the honorable member would not put him in gaol? Why, then, should we commit a man to gaol who simply makes an agreement in pursuance of his business, and without knowing that it will injure the public until he is told by a

jury that it has injured or is injuring them? Where we are dealing with juries we have very grave dangers to face. I will give an instance in point. Let us assume that there are a number of manufacturers of a certain article—say blankets or paints—who see that another individual is making an article of a very bad quality and underselling them. Let us suppose that they find that their market is being injured, and that the public is being injured by the inferior production, and that, as a result, they enter into a combination by which they deprive the individual in question of his supplies. They naturally think that a combination of that sort is not to the detriment of the public, but that it is for the good of the public. But, of course, the individual chiefly concerned would have his friends, who, doubtless, would raise the cry, "Oh, he is a poor man. Why should he be tyrannized over by these wealthy men?" I confess that it would be most difficult for a jury to decide whether such a combination was to the detriment of the public or not. Some people say it is good for the public that we should have shoddy.

Mr. JOSEPH COOK.—Would such things go to a jury for decision?

Mr. HIGGINS.—There are a host of ways of showing intent, and one is by attempting to conceal what has been done.

Mr. McWILLIAMS.—An article might be a very cheap one, and still not be detrimental to the public.

Mr. HIGGINS.—That is quite true. I find, by reference to the Crimes Act of Victoria, that it is no offence for a person to effect an armed entrance into a house at night unless it is with intent to rob or to do wrong. Similarly section 124 of that statute enacts that if he enters a dwelling house at night with intent to commit a felony, he shall be liable to certain penalties. I am quite sure that the honorable member for Hindmarsh has a severe edge upon transactions of a certain character—

Mr. HUTCHISON.—I have the support in this matter of the honorable and learned member for Bendigo, who knows the law.

Mr. HIGGINS.—I was not present when the honorable and learned member for Bendigo addressed the Committee, but I am greatly surprised to find that he can advocate making the act of any person a crime, irrespective of intent, if it turn out to be to the injury of the public.

Mr. McWILLIAMS.—He has the advantage of being familiar with the evidence which was given before the Tariff Commission.

Mr. HIGGINS.—I do not know what the Tariff Commission has to do with the matter. Some people appear to have Tariff upon the brain.

Mr. McWILLIAMS.—The honorable and learned member for Bendigo knows what the combines are doing, and we do not.

Mr. HIGGINS.—I venture to say that he does not know what the combines are doing more than does any member of this Committee who has access to the books in the Parliamentary Library, and who has held any conversation with those who have had to do with combines. One could not obtain stronger evidence of the evils accruing from combines than that which is given by Mr. Lloyd, where he summarizes the investigations of the commissions which have inquired into the matter in the United States. Of course, I have consistently taken up the position that these provisions will be nugatory, and I am endeavouring to prevent honest men from being injured under them, rather than dishonest men from being attacked. I feel that the clauses will be insufficient, and that just as similar provisions have been evaded in the United States, so these will be evaded here. May I add that all this criticism is confined to paragraph *a*, as I understand there is no objection to the retention of the words "with intent" in paragraph *b*.

Mr. HUTCHISON.—Objection has been taken to the whole clause.

Mr. ISAACS.—We are dealing with each amendment separately.

Mr. HIGGINS.—Exactly. At the same time, we ought to be consistent in paragraphs *a* and *b*. I shall not vote in favour of making a man a criminal who has no intention to hurt his fellows.

Mr. KELLY (Wentworth) [6.15].—It seems to me that we have reached a stage in the consideration of this Bill—which is ostensibly intended to repress destructive monopolies—when our whole anxiety is to prevent honest men who may be brought within its scope from being victimized. Is it that our object is not to prevent trusts from victimizing the public as a whole, but to prevent honest men from being penalized, now that they have been brought within the comprehension of the measure? The honorable and learned member for Northern Melbourne asks—"If innocent men hurt the public without meaning

it, would you put them in gaol?" while the Attorney-General asks—"If the word 'intent' were struck out, what chance would an honest man have under the Bill?" Why have we brought honest men within its comprehension?

Mr. HUTCHISON.—But we have not.

Mr. KELLY.—The complaint of the Attorney-General is that so many honest men are brought within the scope of the measure that we have now to be specially careful to see that they shall not be victimized.

Mr. JOSEPH COOK.—The trouble is that we are going through the farce of making a law which its own supporters say is useless.

Mr. KELLY.—Exactly. After hearing argument, I am prepared to allow the words to be inserted for the protection of honest men, wrongly brought within the operation of the Bill, but I submit that this is a regular farce on which we are engaged.

Mr. HUTCHISON.—The honorable member wishes to assist in what he calls a farce.

Mr. KELLY.—If the Bill be passed as is now proposed—and apparently it is hopeless to expect that it will be passed in any other form—it is a farce, and it ought to be treated as a farce when it is again dealt with as a whole. I agree with the Attorney-General that we have got to a position now when we have to consider what might happen to innocent men who have been brought under the measure through its scope being too wide. But I hope that the Committee will see that we are engaged in the farce of passing a Bill which will not be operative in the direction which we hope for—the repression of destructive monopolies.

Mr. HUTCHISON (Hindmarsh) [6.17].—I am sorry that the honorable and learned member for Northern Melbourne has left the chamber, as I wished to put a case to him; but perhaps, in his absence, the Attorney-General will supply the answer. At the present time boots are being manufactured with paper as a substitute for leather, and no doubt the manufacturers contend that they have no intention of injuring the public. The fact is that the use of the boots endangers the lives of the users. In wet weather they act as a sponge, and the result in hundreds, if not in thousands, of cases has been that the wearer has contracted pneumonia, which

often has caused death. Under this Bill would the manufacturer of such boots be indictable as an offender with the intent of injuring the public?

Mr. ISAACS.—No. That would come under the Commerce Act if it were Interstate trade.

Mr. HUTCHISON.—It would not come under the Commerce Act, because that Act cannot deal with goods manufactured in a State.

Mr. ISAACS.—If boots of that kind were sold between the States, the manufacturers could be brought within the operation of the Commerce Act.

Mr. HUTCHISON.—The Government refused to accept an amendment of mine which would have dealt with goods when passing from State to State, and consequently goods which are manufactured and consumed in a State cannot be dealt with under the Commerce Act. The honorable and learned member for Parkes has interjected that in the case I put to the Attorney-General the intent would be obvious. I am glad to have that assurance, because if such an employer could be brought within the scope of this Bill it would do something, although I still maintain that it would be almost impossible to prove intent. Really, the more I have looked into this Bill since I spoke at the second-reading stage, the more convinced have I become that it contains a great deal of sham legislation. The intent of the Government may be good, but we have to look at the effect of this legislation, and that, to my mind, will be very far from what it ought to be. I am still of opinion that we ought not to insert the words "with intent."

Mr. BRUCE SMITH (Parkes) [6.20].—The condition of my throat prevents me from taking an active part in the debate, but I should like to show the attitude of my mind toward the amendment by congratulating the Attorney-General upon introducing a highly desirable safeguard into an otherwise dangerous clause.

Mr. ROBINSON (Wannon) [6.21].—I am very glad that the Attorney-General has moved this amendment. I do not consider for one moment that this legislation is a farce. I believe there is a possibility that the clause under discussion will effect a very remarkable amount of good. Any one who has read the story of the operations of trusts in the United States, and compares some of the provisions in Part

II. of this Bill with the provisions of the American law, must admit that clauses 4 and 5, which are the main operative clauses, are an improvement upon the American provisions, and do not offer those opportunities of oppression which some American legislation does offer. I consider that the words "to the detriment of the public," in paragraph *a*, will have a very beneficial effect from the public point of view, as well as from the point of view of a man who might enter into a trade combination which was not meant to be of a destructive or hurtful character, as I believe the majority of trade combinations are. But the necessity of proving intent must be insisted upon, otherwise we shall make men criminals for entering into an innocent combination, whether their intent was improper or not. If we did not insert the words "with intent," the most innocent man in the world would be held to come within the purview of the clause, and to be liable to a heavy fine, or one year's imprisonment, or to both. In seeking to insert the words, the Attorney-General is acting only in accordance with the great bulk of criminal legislation, not only in Victoria, but in every other State of the Commonwealth, and every part of the British Empire. I think that the criticism to which the Attorney-General and the Bill have been subjected on account of the proposed insertion of these words is not quite fair or quite relevant. I have a great many objections to other portions of the Bill, and I also have certain objections to this clause, but with the insertion of these words, paragraph *a* will be a provision of great value to the public, and also a safeguard to innocent combinations, and these, I understand, are what the Government wish to protect. With this object, I am in most hearty sympathy.

Amendment agreed to.

Mr. ISAACS (Indi—Attorney-General) [6.28].—Some honorable members have indicated their opposition to paragraph *b*. I wish to move the insertion of the word "intent" in lieu of the word "design"; but I desire honorable members to understand that if they wish to reject that amendment, the forms of the House require that we should not adopt any words.

Mr. JOSEPH COOK.—There is a prior amendment.

Mr. DUGALD THOMSON (North Sydney) [6.29].—For reasons which I stated on a previous occasion, I desire paragraph *b* to be omitted. In order to test the

opinion of the Committee on that point, and not to interfere with any honorable member who may desire to move an amendment at a later stage, I move—

That the word "or," line 8, be left out.

If that amendment be carried, then paragraph *b* will have to be omitted.

Mr. ISAACS.—This will be taken as a test in a similar provision in the next clause?

Mr. DUGALD THOMSON. — Yes. Paragraph *b* of clause 4 has no relation to trusts or combines, at any rate, it does not restrict them within Australia as paragraph *a* does. It is simply a provision—and really, to some extent, it is in contradiction of paragraph *a*—that there shall not be action which would destroy or injure by means of unfair competition any Australian industry. That means that there shall be no unfair competition which would reduce the price of goods in that industry. Consequently, while the design of paragraph *a* is to prevent persons from imposing heavy prices, and taxing the community by their combinations, a combination of firms within Australia may constitute a gigantic trust, and the provision of paragraph *b* is simply that there shall be no unfair competition with that industry so organized.

Sitting suspended from 6.30 to 7.30 p.m.

Mr. DUGALD THOMSON.—I do not know whether the Attorney-General was present when, earlier in the day, I made some remarks on this clause, but I then tried to show that, if the paragraph under discussion was meant to deal with competition between Australian industries, there should be a clearer definition of "Australian industry." A clear distinction is drawn as to competition from abroad, which, if it unfairly interferes with Australian industries, would, of course, come under this part of sub-clause 1. But as regards competition between Australian industries, or in Australian industries—that is, the case of one part of an industry competing with another, which the Minister of Trade and Customs stated might be brought under the sub-clause—there is no indication as to what an "Australian industry" is. The industry might be an industry of all Australia taken as a whole, or it might be an industry confined to a State or to a city.

Mr. DEAKIN.—Could the honorable member call either of the last two mentioned an Australian industry?

Mr. DUGALD THOMSON.—I should like to point out to the Prime Minister what I previously said when he was not present.

Mr. DEAKIN.—I heard only part.

Mr. DUGALD THOMSON.—I then instanced a case in which competition might occur in the same industry carried on in two States, and pointed out that that competition, while it might injure the industry in one of the States, might not injure the industry as a whole in Australia. The coal industry of New South Wales has already been referred to, and it might compete and injure the coal industry of Victoria. But even if the New South Wales coal industry did destroy the Victorian industry, the Australian industry as a whole would not be injured or destroyed. Yet the Minister of Trade and Customs informed us that in such a case action might be taken under this sub-clause.

Mr. ISAACS.—I think there must be some misapprehension.

Mr. DUGALD THOMSON.—When the Minister of Trade and Customs spoke he instanced the case of harvesters.

Mr. ISAACS.—Well, of course, in a sense that might be so.

Mr. DUGALD THOMSON.—If it is only an industry of Australia as a whole which is to be injured by Australian competition—

Mr. ISAACS.—By any competition.

Mr. DUGALD THOMSON.—I am talking of the applicability of the sub-clause to Australian industries, which the Minister said would operate in such a case. If it is only an industry of Australia as a whole that is to be injured by Australian competition, it seems to me that the sub-clause fails to deal with the matter at all. However, I shall not enlarge on that objection, seeing that I have had another opportunity of drawing attention to it. A further objection is that the sub-clause seems to be more fiscal than trust restraining. Although paragraph *b* is introduced in a clause dealing with trusts, there is nothing to prevent the formation of Australian trusts.

Mr. ISAACS.—It does not deal wholly with trusts, but with any person.

Mr. DUGALD THOMSON.—But there is nothing to prohibit the formation of Australian trusts, which may injure or destroy a trade in Australia which is not strictly an Australian trade.

Mr. ISAACS.—Only by monopolizing it.

Mr. DUGALD THOMSON.—Either by monopolizing, injuring, or destroying.

Mr. ROBINSON.—The trade would still be there.

Mr. DUGALD THOMSON.—I want to point out that there is no reciprocity.

Mr. ISAACS.—An industry would not be destroyed except with a view to monopoly.

Mr. DUGALD THOMSON.—An industry might be destroyed apart from any such intention. If the Attorney-General will allow me, I will explain. While the operation of trusts, or persons, unfairly competing with Australian industries, is supposed to be dealt with and restricted or prevented, if an Australian industry chooses to form a combination, or if any person in that industry chooses to so conduct his business as to unfairly compete with any other business in Australia, which would not be termed an Australian industry—such as the distribution of goods from abroad—there is perfect liberty to do so.

Mr. ISAACS.—Clause 5 will prevent that as much as possible.

Mr. DUGALD THOMSON.—That clause deals only with companies.

Mr. ISAACS.—But clause 7 deals with monopolies.

Mr. DUGALD THOMSON.—It is not a question of monopolizing.

Mr. ISAACS.—It must be one or the other.

Mr. DUGALD THOMSON.—If an Australian industry can injure or destroy another Australian industry without monopolizing the latter, so it can injure or destroy such an industry as I have indicated.

Mr. ISAACS.—Can the honorable member give an instance of an Australian industry injuring any other Australian industry without a view of monopolizing?

Mr. ROBINSON.—Monopolizing is not punishable unless it is to the detriment of the public.

Mr. ISAACS.—Certainly.

Mr. PAGE.—How would Mr. Bent's wire netting monopoly fare under this clause?

Mr. DUGALD THOMSON.—That is a new Australian industry to be conducted by the Government, and carried on, not by Government employés, but by Government prisoners. What I wish to emphasize is that paragraph *b* is more fiscal than anti-trust. Provision is made to insure that an Australian industry shall not, by unfair competition, injure or destroy another Australian industry; but if an industry con-

of importing and distributing goods from abroad, there is no reciprocity—there is no provision by which an Australian industry can be prevented from adopting unfair means to destroy that industry, which may not be Australian, but British.

Mr. PAGE.—That is exactly what Mr. Bent's industry will do.

Mr. DUGALD THOMSON.—That is an illustration of how an Australian industry—if we may so call it—such as is proposed to be established, may be used to destroy, by what some people might consider unfair means, a British industry—because industry extends not merely to the manufacturing, but to the trading in and distributing of goods. Such action by an Australian industry is allowed full play under the paragraph; and, therefore, I say that it is more fiscal than anti-trust. For these reasons I am of opinion that the clause wants thoroughly re-drafting in order to define "Australian industry." The clause ought to show how far an industry must extend before it can be called Australian—whether unfair competition between the same industry in two States would be interfering with an Australian industry, or whether the interference, injury, or destruction has to affect the industry throughout all Australia. Then, if the clause is not to be fiscal, there should be some reciprocity, so that other industries, which are valuable to Australia and to the Empire—industries in which our fellow British citizens are engaged—shall not be destroyed by making it penal on the part of a British industry in these markets, while Australian industries are perfectly free to operate in the same objectionable manner, in regard to the British interest, without any restraint. As paragraph *b* stands, I am bound to oppose it, and in order to test whether it should or should not be omitted. I have moved the omission of the word "or" in line 8, so that there may be no interference with any subsequent amendment that it may be desired to submit.

Mr. ROBINSON (Wannon) [7.42].—This particular paragraph is extremely difficult to construe. The coal industry, which has been instanced by the honorable member for North Sydney, is carried on largely in New South Wales, to some extent in Victoria, and to a smaller extent in Western Australia. It is admitted on all hands that the coal industry in Newcastle is conducted in more favorable circumstances than it is in either Victoria or

Western Australia. If the question involved in this paragraph is left to a jury, it will mean that juries taken from any of the States I have mentioned may give totally different verdicts. A Newcastle jury, which had to construe the effect of the operations of the coal vend, would naturally take a most favorable view of those operations, which, of course, tend to increase the trade of the port. But if the members of that coal vend were tried by a jury from Korumburra, or from the Colliery in Western Australia, they would have but a slight chance to escape being found guilty of a breach of the law. The Attorney-General said that a combination could be dealt with under clauses 7 or 8 for attempting to monopolize the trade of the Commonwealth. But, according to the Bill, an attempt to monopolize, or an actual monopolization—if I may use the term—of trade and commerce is not punishable unless it is with the design of controlling the industry to the detriment of the public. It seems to me that the clauses referred to by the Attorney-General do not carry the matter any further. In the case of the coal vend—I only take this as a concrete case—its competition is deemed to be unfair because it is a commercial trust. I do not think there is any question that the vend is a commercial trust; but if it were not so, competition by a large colliery owner in Newcastle might be punishable under clause 6, because such competition would probably result in lower remuneration for labour. It would have that effect in Jumbunna and Outtrim if the competition were successful. It would also result in disorganizing Australian industry in Victoria, though it would probably have an opposite effect in Newcastle. It seems to me that this portion of the Bill—which I presume is meant to deal with monopolies within our boundaries—attacks a portion of an industry because that portion may have facilities for capturing the bulk of the trade to the detriment of other portions of the industry. I think we ought to have a definition of "Australian industry"; or else we should allow the defendant an opportunity to take his case before a full bench of the High Court, for the purpose of obtaining a legal definition on this point.

Mr. ISAACS.—There is that power of appeal under the law.

Mr. ROBINSON.—That meets my objection on this point. Otherwise we are in

this position: that a man who does injure a certain portion of an Australian industry may be attacked under this clause for having done something which is inimical to the interests of the public generally. The last few words of paragraph *b*—

Having due regard to the interests of producers, workers, and consumers—

must also be considered. It is held by a number of people that the maintenance of collieries in Jumbunna, and of a colliery in Western Australia, has a distinct effect in the interests of producers, workers, and consumers, by keeping down the price of coal. I shall not discuss whether or not it has that effect, but a number of people believe that it has; and a jury might be taken from persons with that impression in their minds from the start. That being so, it appears to me that a coal mine-owner in Australia might have his business and his safety imperilled under this paragraph. It appears to me that the paragraph involves a fiscal matter, and does not deal with the repression of a local monopoly. I should like to hear from the Attorney-General a more ample justification of it than we have had. I have an open mind on the question, and if he can show me that paragraph *b* is a necessary part of this anti-trust legislation, I shall support it, just as I supported him with regard to paragraph *a*. I think he made his position quite clear as to that; and if he can make his position equally clear to my mind with regard to paragraph *b*, I shall support that also. But at present it does not seem to me to have any relevancy to dealing with trusts that are created, or which grow up in Australia under Australian conditions; because the only way in which the mischief the paragraph aims at attacking can grow up is by one portion of an Australian industry getting the better of another portion. If, of course, there is a well-established Australian industry which is attacked by another Australian industry—that is to say, by a rival product—it is quite possible that the competition of some later development of science, or of some later natural development, may injure the older industry, just as, for example, the discovery of oil wells in Australia would give a staggering blow to the coal mines which we have in various parts of the country. I do not suppose that any jury would find that such a case came under the provisions of this Bill.

Mr. ISAACS.—If such a thing were to happen, the new industry would be one the

preservation of which would be beneficial to the Commonwealth.

Mr. ROBINSON.—That may be so; but a jury might find that it was not beneficial. If the trial took place in a part of the country where the old industry was looked upon as the better industry—and that might easily happen—the jury might find that the old industry was advantageous to the Commonwealth, and that its competition with the new industry ought to be preserved. It is a matter as to which I am looking for information from the Attorney-General, and I hope that he will throw some light upon it, as he usually does.

Mr. ISAACS (Indi—Attorney-General) [7.51].—I think that there is a little misapprehension about the paragraph under discussion, which has for its pivotal consideration, if I may so put it, the preservation of industries in Australia. No distinction is made between State and State. The idea is that if industries are established in any part of Australia we are not to be made dependent upon other countries in respect of such industries, by some one, whether in our midst or from outside, coming here, and, with the intent to destroy or injure our industries, entering into some combination. It is not intended either to set State against State or individual against individual. If New South Wales coal mines can out-distance Victorian coal mines, this provision has nothing to do with them. But if Japanese coal mines send their product here under such conditions of unfair competition as—if that were possible—to close our Australian coal mines, such a case would come under the provision. The point of the paragraph is this: We will assume that there is some Australian industry which ought to be preserved in the interests of the Commonwealth—say the coal industry of Australia, as contra-distinguished from the coal industry outside Australia. The expression “Australian industry” is self-interpretative. You have an industry which is Australian, as distinguished from one which is non-Australian or foreign. The point is that we want to preserve the Australian industry. We do not desire, so far as this Bill is concerned, to preserve an industry in any particular part of Australia. There is no favoritism to be shown to any part of Australia; and if one part of Australia can beat another by any means whatever—

Mr. DUGALD THOMSON.—Fair or unfair?

Mr. ISAACS.—Whether the competition is fair or unfair has nothing to do with clause 4. If, however, one Australian industry, or one branch of an Australian industry, or one individual in an Australian industry, by some unfair means, with a view to monopolize Inter-State trade, or if a corporation by unfair means, endeavours to run its competitors out of the market, and to monopolize the trade, that case comes under the latter portion of the Bill. But so far as this clause is concerned, what we aim at is the preservation of Australian industry without regard to the individuals engaged in that industry, and without regard to the State in which the industry is carried on. It is Australia on the one side and the rest of the world on the other.

Mr. JOHNSON.—Would the Attorney-General define what constitutes an "Australian industry"? What makes an industry Australian?

Mr. ISAACS.—An industry which is carried on in Australia is an Australian industry.

Mr. JOHNSON.—Suppose the industry is carried on in one State only?

Mr. ISAACS.—If it is carried on in one State it is Australian, just as much as if it were carried on in all the States.

Mr. DUGALD THOMSON.—Suppose two industries existing, one for the distribution of English goods and one for the distribution of Australian goods, but both carried on in Australia, which of those is an "Australian industry"?

Mr. ISAACS.—Both of them. I say that any industry carried on in Australia, by persons here who are subject to the laws of Australia, is an Australian industry. If the American harvester people were to come and set up their factory here, and employ Australians, working at Australian rates of wages—as, of course, would have to be the case—*pro tanto* they would be carrying on an Australian industry.

Mr. JOHNSON.—And they would have the right to do so, notwithstanding that they were entering into competition with the other harvester people?

Mr. ISAACS.—So far as this particular clause is concerned—yes. I do not care what it is—any industry carried on in Australia is an Australian industry.

Mr. DUGALD THOMSON.—The Bill does not say so.

Mr. ISAACS.—Surely the term "Australian industry" carries its own meaning

on its face. But let me put another consideration, because I do not desire to miss any particular phase of this question. Suppose, for example, that the American harvester trust were to set up a factory here, and were to say—using the simile which I employed earlier in the day in answer to the honorable member for Lang—"We cannot do what we want from the outside, because your Tariff prevents us, but we will settle down in Australia, and run the Australian coach off the road by undercutting, and when we have the whole of the trade in our own hands, we will do what we like"; if they did that they would be open to the objection that they were attempting to injure an Australian industry.

Mr. FOWLER.—Suppose they sold their goods at reasonable prices, would that be undercutting?

Mr. ISAACS.—No; of course not.

Mr. JOHNSON.—Notwithstanding that they were selling their machines at a less price than that at which other harvesters were sold?

Mr. PAGE.—We meet that sort of thing every day in every shop.

Mr. ISAACS.—That is fair trading, not unfair competition. I am assuming unfair competition, for the purpose of showing how the Bill will operate. I am not discussing what facts would constitute unfair competition, but am endeavouring to answer the query put to me as to what is the meaning of "Australian industry."

Mr. DUGALD THOMSON.—Suppose the Australian manufacturers tried to run out the Americans after they had arrived and established their factory here?

Mr. ISAACS.—If they did that for the purpose of monopolizing the trade, they would come under the operation of the later clauses of this Bill.

Mr. DUGALD THOMSON.—But they would not be monopolizing the trade, because there would still be competition amongst the local manufacturers.

Mr. ISAACS.—If they were a corporation they would be hit by the Bill.

Mr. DUGALD THOMSON.—They might be individuals.

Mr. ISAACS.—Then I should say the only question would be whether, as far as this clause is concerned, they were acting with the intent to destroy or injure an Australian industry.

Mr. DUGALD THOMSON.—Would the Attorney-General regard an industry estab-

lished here by American manufacturers as an "Australian industry"?

Mr. ISAACS.—I think that in such a case as that I have just mentioned they would be open to paragraph *a*, for endeavouring to "restrain trade and commerce to the detriment of the public."

Mr. DUGALD THOMSON.—Does paragraph *a* cover such a case?

Mr. ISAACS.—It covers such a case as the honorable member has put, but it would not cover all cases. Paragraph *a* will not cover certain cases, such as where there is a reduction of price in order to run coaches off the road, which cannot be said to be directly in restraint of trade, because, although the ultimate object is to restrain trade, the intermediate means employed cannot bear that interpretation.

Mr. DUGALD THOMSON.—That would not operate in the case of the local people trying to run off a new company.

Mr. ISAACS.—It seems to me that both cases come under the operation of clause 4, by reason of the provisions of either paragraph *a* or paragraph *b*. Some of my honorable friends have said that the clause is self-contradictory, but I respectfully submit that that is a mistake. An object may be attained directly or indirectly. Trade may be restrained directly, and the public injured thereby, or intermediate means which are not a restraint of trade, such as the reduction of prices, or undercutting, to get rid of competitors, may be adopted, with the ultimate object of restraining trade. If an American firm came here, and said, "We will sell our goods at such prices that Australian dealers in similar goods will ultimately be driven out of the market," the means adopted would not in themselves be a restraint of trade, although their ultimate object would be the restraint of trade; but we should have to deal with the employment of those intermediate means, and not wait until the injury intended had been affected, because, when capital is once displaced, it is very hard to induce people to re-invest on the same lines. Several of the States of the American Union have passed Acts to regulate trusts and combines. In 1800 the State of Michigan passed an Act—No. 255—relating to trusts, monopolies, and combinations, in which it is provided that a trust is to include any of several purposes, of which one is to limit or reduce the production, or increase or reduce the price, of merchandize or any commodity.

A provision of that kind might as well be termed contradictory as the provision now under discussion. The ways of persons who have command of a great amount of capital may be devious. They may say, "If we could increase prices we should at once attain our object, but, as we cannot immediately do so, we must reduce them, in order to run competitors out of the market," and, having done that, they would act in restraint of trade, the reduction of prices being only an initiatory step towards the attainment of that object.

Mr. DUGALD THOMSON.—There is no mention of the object here; the clause deals only with the effect.

Mr. ISAACS.—The object is included, and, in my view, there is no self-contradiction. The means adopted may be, and probably would be, to use the enormous power of aggregated capital—greater than any Australian firm could command—to put on to the market goods constituting a comparatively small proportion of the total output, at prices at which it would be ruinous to sell, because the foreign combination could stand the strain much longer than any Australian manufacturer or dealer could stand it. Then, when the Australian coaches had been run off the road, they would say, "Now we can command the traffic as we please, and will charge high prices."

Mr. DUGALD THOMSON.—Clause 7 deals with such action.

Mr. ISAACS.—It does not deal with exactly the case which we are now considering. At the then present time, it would be difficult to prove that an endeavour was being made to establish a monopoly, though there might be very strong grounds for believing that to be the intention.

Mr. DUGALD THOMSON.—It is necessary to prove that an attempt is being made to destroy an Australian industry.

Mr. ISAACS.—Yes. It is a question of policy. I think I have shown that there is a distinct meaning in the clause, and that its object is to preserve Australian industries as a whole; not to preserve the industry of one part of Australia as against that of another, or to preserve the industry of one individual as against that of another, but to prevent all Australian industries deserving to be upheld from being obliterated or injured by the operations of foreign competitors. The question is, are we in favour of preserving Australian

industries as such—not industries which ought not to be preserved, but genuine, valuable industries, which are of use to Australians, and will help to develop our country?

Mr. DUGALD THOMSON.—The honorable and learned gentleman has said that the distribution of imported goods would be an Australian industry.

Mr. ISAACS.—In Australia that would be an Australian industry.

Mr. KELLY.—Is such an industry truly Australian?

Mr. ISAACS.—It would depend a good deal on its nature. I do not think that any one could lay down a hard-and-fast rule. But, if by means of such distribution, an attempt is made to kill an industry manufacturing Australian goods, and that manufacture is one which, in the interests of workers and consumers alike, ought to be preserved, we do not intend to allow the distribution of foreign goods to have that effect.

Mr. KELLY.—The distribution of foreign goods must affect the local manufacturer of similar goods in some way or another.

Mr. ROBINSON.—Part III. deals with that.

Mr. ISAACS.—No. Part III. provides for the prohibition of the landing of goods with the object of destroying Australian industries; this part deals with goods which are here.

Mr. DUGALD THOMSON.—But the honorable and learned gentleman has said that the distribution of goods which are here is an Australian industry.

Mr. ISAACS.—It is *pro tanto*, but persons here, whether natural born Australians or Australians by adoption, are not to be allowed to destroy Australian industries.

Mr. JOSEPH COOK.—Is the honorable and learned member speaking of goods which have been imported?

Mr. ISAACS.—Yes. The whole of Part II. providing for the repression of monopolies, relates to goods which are already here. We say that any person having goods here is not to enter into a contract or become a member of a combination, for the express purpose of destroying or injuring any Australian industry which, in the interests of the whole Commonwealth, ought to be preserved. By Australian industry, we mean an industry that is Australian in contradistinction from foreign.

Mr. DUGALD THOMSON.—We cannot get at the exact difference.

Mr. ISAACS.—I think that we can, and that it is a question of fact in each case.

The Committee has now to determine a question of principle—whether we are going to allow Australia to develop its industries without danger of their strangulation by the greater power of capital abroad. Tariffs can apply only to the ordinary transactions of trade, and are based upon the supposition that men will not voluntarily lose money in carrying on their business operations, that they will sell under ordinary conditions of business and trade; but we know perfectly well that persons desirous of capturing a market are sometimes prepared to make a temporary sacrifice, and will not be deterred by a Tariff from temporarily selling their goods at a loss, in order that they may eventually command the market. It is for extraordinary operations of trade of that nature that the Bill is necessary. We think that its provisions are essential to the preservation of our industries, over and above any of the ordinary operations of trade which would be covered by the Tariff. Those who think that Australian industries, properly established, and of use and benefit to us all, ought to be allowed to continue on their career of development, will have no hesitation in voting for the clause, while those who consider that, however well Australian industries may be established, and however useful they may be, they ought not to be regarded if, under any circumstances, and whether temporarily or permanently, goods can be brought here more cheaply from abroad, will vote against it. It is a question whether we are determined to preserve well-established Australian industries, which are admittedly of use and benefit to us, or are ready to see them destroyed or injured.

Mr. JOSEPH COOK.—Will the honorable and learned gentleman give us a case in point?

Mr. ISAACS.—I have given several, and to repeat them will not add force to what I have said. I think we need have little hesitation about coming to a decision. Our minds are fairly well made up as to the side upon which we desire to stand. If we adopt the test which the honorable member for North Sydney has given to us, and divide upon the question whether the word “or” shall or shall not be in the clause, we shall obtain an expression of the opinion of the Committee, either that Australian industries as such, which are worthy of being preserved, should be preserved, or whether they are to be regarded

as possessing no more commercial interest to us than do the industries of Japan.

Mr. HENRY WILLIS (Robertson) [8.14].—I do not think that the Attorney-General was justified in assuming that those who do not accept the position as he stated it are opposed to the establishment of Australian industries. The whole object of the Opposition is to make the Bill a just measure, so that Australian industries may flourish, and every manufacturer may have a fair chance in this market, being stimulated by competition from abroad to improve his methods. The Minister has stated the question as if we were being asked to say whether we shall or shall not have Australian industries. I do not think it is fair to put it to the Committee in that way.

Mr. PAGE (Maranoa) [8.15].—In connexion with the preservation of Australian industries a certain question has arisen in my mind. The Premier of Victoria announced last week that he intended to carry on the wire netting industry in Victoria by means of prison labour. That industry is at present carried on in New South Wales by means of union labour under union conditions, and the highest rates of wages are paid to the employes. The Premier of Victoria says that he intends to introduce machinery similar to that now employed in New South Wales, and that, if he cannot procure machinery from abroad, he will have it made in the State. I desire to know whether the proposed employment of prison labour would be regarded as constituting unfair competition with an Australian industry? Can a State step in and interfere with an industry in which certain persons have embarked their fortunes?

Mr. LIDDELL.—That is Socialism.

Mr. PAGE.—It is nothing of the kind. If that is the idea of honorable members opposite, I can understand how it is that they are all at sea. We want to give equal opportunities to all men. I contend that such an enterprise as that upon which the Premier of Victoria is about to embark would involve unfair competition with Australian industry. It would certainly not be in accord with the principle of Socialism to crush out an industry by the employment of prison labour. Perhaps that is the kind of Socialism in which the honorable member for Hunter believes. I should like to know whether competition such as I refer to would come under this clause or under clause 6?

Mr. ISAACS.—We cannot interfere with a State, but only with private individuals.

Mr. PAGE.—Then the Bill is not worth the paper on which it is printed, and I shall vote against it.

Mr. FOWLER (Perth) [8.18].—The remarks of the Attorney-General in connexion with this clause have confirmed me in the opinion that we are merely wasting our time in discussing this measure.

Mr. ISAACS.—The honorable member for Kooyong is cheering that statement, and he will cheer the honorable member all through.

Mr. FOWLER.—I shall always express my opinions, whether my statements are received with cheers or with jeers. The whole measure is based on an assumption that I think the evidence before the country does not justify. We are asked to assume that certain Australian industries can be wiped out by competition resulting from a reduction of prices to a point that will not permit of the manufacturers obtaining a reasonable profit. I have no hesitation in saying that the Australian manufacturer would be able to wipe out his antagonist, the importer, if he brought his prices down to a figure that would still enable him to obtain a reasonable profit. If any large organization such as the International Harvester Company, of which we have heard so much, and which some Ministers seem to have on their brains, came to Australia, laid down up-to-date machinery, and carried on their work with the thoroughness that has characterized them here and elsewhere, and still adhered to sound business methods, they could bring down the price of harvesters to at least £20 below the present quotations, and still make a handsome profit. I want to know whether such action would be regarded as unfair?

Mr. ISAACS.—No.

Mr. FOWLER.—Then what object is really being aimed at?

Mr. MAUGER.—We want to get the work done here, and keep it here.

Mr. JOSEPH COOK.—That is very frank, anyhow.

Mr. MAUGER.—It is very straight.

Mr. FOWLER. — As I have already stated, I am prepared, when the opportunity occurs, to prove that if the Australian manufacturers of harvesters were satisfied with a reasonable profit they could manufacture every machine likely to be required in the Commonwealth. I think that I may

fairly enter into details, because the Chairman of the Tariff Commission has addressed this Chamber in terms which warrant me in breaking silence on the subject. In connexion with the harvester industry it has been shown conclusively that the trouble of the Australian manufacturer is not that he cannot compete and obtain a reasonable profit, but that he wants an abnormal profit. And he has been able to persuade the Government that special legislation should be enacted for his benefit, in order to secure for him excessively high returns.

Mr. MAUGER.—Is this the report of the Commission?

Mr. FOWLER.—I am giving honorable members the benefit of a very small portion of the evidence elicited by the Commission. I think that what I have stated tends to show the necessity for having the whole of the evidence placed at the disposal of honorable members before they are asked to deal with matters that have been exhaustively investigated by the Commission.

Mr. DUGALD THOMSON (North Sydney) [8.23].—I think that the enlightenment which honorable members might receive from the evidence taken by the Tariff Commission would prove very beneficial in the consideration of this Bill.

Mr. MAUGER.—Have we not already had placed before us the evidence relating to the manufacture of harvesters?

Mr. DUGALD THOMSON.—Not all of it. It is very difficult to arrive at any reasonable conclusion with regard to the provisions of this measure, when we have two separate readings by Ministers of the paragraph immediately under consideration. The Minister of Trade and Customs distinctly stated that unfair competition between one section of Australian industry and another section—that is to say, competition which might arise between the harvester manufacturers in one State and those engaged in the same industry in another State—would come within the scope of this paragraph, and would be dealt with. The Attorney-General has just told us that such a case could not be dealt with—that the Bill would have no effect in regard to a sectional portion of an industry in a particular State, but would deal only with the industry of the whole of the Commonwealth.

Mr. ISAACS.—We could not actually deal with an industry in any particular State.

Mr. DUGALD THOMSON.—The Minister of Trade and Customs gave us an illustration, which showed that, according to his reading of the measure of which he is in charge, if one section of manufacturers of harvesters in Australia combined to injure or destroy by unfair means another section, the clause would operate to restrain them.

Mr. ISAACS.—Only if their action constituted a first step in the direction of injuring or destroying the whole of the industry.

Mr. DUGALD THOMSON.—There might be competition between two groups of manufacturers in different States. But the Attorney-General now tells us that the clause applies only to combinations which seek, by unfair means, to destroy or injure, not a particular section of an industry, but the whole of the industry throughout the Commonwealth.

Mr. ROBINSON.—That is, if those entering into the combination seek to destroy themselves.

Mr. DUGALD THOMSON.—That is what it amounts to. The readings given by the two Ministers are very contradictory. The Attorney-General was rather confusing in his explanation. He said, for example, that the distribution of British or other imported goods in Australia would constitute an Australian industry, and as such would be protected from unfair competition under the clause. In that case, there would be no discrimination between those engaged in the distribution of the product of our own fellow citizens in England and those interested in articles produced by citizens of the Empire within Australia. It could not then be objected that those engaged in Australian industries would be allowed to combine and unfairly destroy an industry which took the shape of distributing British goods, whilst the distributors of such goods would not be permitted to combine to unfairly compete against Australian producers.

Mr. ISAACS.—The honorable member will see that no penalty is imposed upon one industry for attacking another, but that it is proposed to prevent any person from unfairly attacking an Australian industry.

Mr. DUGALD THOMSON.—Then the question arises: "What is an Australian industry?" The Attorney-General then proceeded to argue that we must defend Australian industries from attacks from persons outside, even if they came within

our territory and tried to compete unfairly. What follows from these two statements? According to the Attorney-General, the distribution of British woollens in Australia would be an Australian industry, and under the clause competition, even unfair competition, which would affect only a portion of Australian industry, could not be interfered with. The distribution of British tweeds would form only a portion of the industry connected with the distribution of woollen goods amongst us, and, according to the Attorney-General's reading of the clause, no measures could be taken to protect the distributors of British tweed against the distributors of Australian tweed, or *vice versa*.

Mr. ISAACS.—I guarded myself by saying that a person who came here to destroy or injure Australian industry as a whole could not do it under cover of the mere distribution of British goods.

Mr. DUGALD THOMSON.—But the Attorney-General has told us that the distribution of British goods here would become an Australian industry, and he has stated, further, that the clause does not deal with unfair competition which results in injury to one particular section of an Australian industry. The distribution of Australian tweeds would constitute only a section of that Australian industry, because the distribution of British tweeds—according to the Attorney-General—would also form a portion of that industry.

Mr. ISAACS.—By the unfair competition of the distributors of British tweeds, could not an attack be made upon Australian-manufactured tweeds?

Mr. DUGALD THOMSON.—The Attorney-General has already said that we must deal with the industry *in globo*.

Mr. ISAACS.—The distribution of Australian tweeds, and the distribution of British tweeds, would not comprise the same industry.

Mr. DUGALD THOMSON.—They would. The work is often carried on by the same people.

Mr. ISAACS.—I do not think that they belong to the same industry. The mere sale of imported goods is not the same as the manufacture of tweeds here.

Mr. DUGALD THOMSON.—It is not the manufacture, but the distribution, of tweeds with which I am dealing, and that is a separate matter. The distribution of tweeds, as the Attorney-General admitted,

would be an Australian industry, irrespective of whether the goods distributed were of Australian or British origin. That being so, and the Attorney-General having stated that the provision would not apply when one section of an industry was operating against another section, it is clear that it would not be applicable to the case I have put.

Mr. ISAACS.—Except the distribution of British tweeds were undertaken for the underhand purpose of destroying Australian industry.

Mr. DUGALD THOMSON.—The Attorney-General, it seems to me, is upon the horns of a dilemma in either case. Let us look at the position from the other standpoint, namely, that under this provision we can penalize the distributor of British tweeds if he engages in unfair competition against his fellow distributor of Australian tweeds.

Mr. ISAACS.—Against the manufacturer of Australian tweeds.

Mr. DUGALD THOMSON.—I am talking of the distributor.

Mr. ISAACS.—If the distributor of British tweeds comes here for the purpose of crushing the manufacturer of Australian tweeds, he can be prevented from doing so.

Mr. DUGALD THOMSON.—I am speaking of the distribution—not of the manufacture—of tweeds.

Mr. ISAACS.—That is just the mistake which the honorable member is making.

Mr. DUGALD THOMSON.—The Attorney-General is upon the horns of a dilemma.

Mr. ISAACS.—I am very comfortable.

Mr. DUGALD THOMSON.—I am sure that the Attorney-General is so accustomed to being impaled upon the horns of a dilemma that he has become case-hardened.

Mr. ISAACS.—The honorable member's horns are very harmless.

Mr. DUGALD THOMSON.—I am speaking of horns upon which the Attorney-General impales himself by reason of his own speeches. If the honorable and learned gentleman takes up the other attitude, and if he states that the distributor of British tweeds can be penalized for unfair competition, then it is grossly unjust that the distributor of Australian tweeds engaged in similar competition with the object of injuring or destroying the other branch of the industry—the distribution of British tweeds—should go scot free. That is the position. When

I put that position previously, the Attorney-General in reply said, in effect, "Oh, no, that would be an Australian industry, and as a person conducting an Australian industry he would be protected under this provision." Now when I push home the argument, he reverts to the position which I maintained at first that the British distributor would be liable to unfair competition on the part of those distributing the Australian article, and that under this provision he would have no redress, although if he himself indulged in what a jury deemed to be unfair competition he would be liable not merely to heavy fines, but to twelve months' imprisonment. I say that one or two things is the case. Either the clause is absolutely useless for the purpose for which the Attorney-General said it was devised, or if it is to operate in the way that he has stated, it must be grossly unfair to one of two sections of traders, each of which the Attorney-General affirms would be conducting an Australian industry. His remarks have only convinced me of the necessity of excising paragraph *b*.

Mr. KNOX (Kooyong) [8.36].—If one could read into this Bill the explanations which the Attorney-General makes from time to time, and if his explanations would satisfy those who will have to apply the law hereafter, we might very well agree to pass some of the clauses about which many honorable members are so much concerned. Personally, I claim to be as desirous as the Attorney-General, or the honorable member for Melbourne Ports who interjected, of seeing legitimate Australian industries receive all the assistance that is possible. I should like to see Australian work reserved—as far as it can be legitimately reserved—to the Australian people. But here for the first time in our consideration of this Bill the interests of the consumer are introduced. The clause recognises "producers, workers, and consumers." Surely the words "Australian industry" in the provision under consideration—if we are to interpret it in the way that it has been explained by the Attorney-General—ought to read "Australian manufacturer." The whole of his remarks related to the interests of the manufacturer, and had no regard whatever to those of the consumer. I admit that we shall be doing an injustice to our Australian manufacturers if we do not insert in this Bill some provision to prevent

unfair foreign competition if it can be defined.

Mr. ISAACS.—I only referred to a manufacturer, because I was dealing with a particular instance which was put to me, but I should apply the same argument just as strongly to the grower of our wheat if an attempt were made to drive him off the land by the distribution of foreign grain.

Mr. KNOX.—I regard this provision as a very unworkable one, and I decline to subscribe to the statement that those who vote against it will be placing themselves in opposition to a just consideration of the claims of Australian industries. I am just as desirous as is the Attorney-General of seeing legitimate assistance given to Australian manufacturers. But the honorable member for North Sydney has shown that the application of this provision will place those who have to interpret it in a difficulty from which I can see no escape. As to unfair competition, surely there ought to be a clearer definition of that term embodied in the measure. Already we find merchants asking, "Where in this Bill are we to find a clear explanation of what constitutes unfair competition, and who is to raise the question of what is unfair competition?" It is true that the matter has to be submitted to a jury, which has to decide whether a particular industry is advantageous to the Commonwealth, having due regard to the interests of the producers, the workers, and the consumers. Surely the consumers cannot object because they are benefited by a competition which personally I may regard as unfair. How is the jury to determine whether or not such competition is disadvantageous to the Commonwealth? I claim that this provision should be so modified as to bring it into line with the objections raised by the honorable member for North Sydney. It ought to be made clear and more definite. If the differentiation is made more clear I shall feel that I am not justified in opposing a provision which is distinct in declaring that anything which, by intention and purpose, is designed to injure or destroy Australian manufactures is unfair competition. I am not prepared to allow myself to be placed in a false position merely on the dictum of the Attorney-General, in voting against a provision which, as it stands, I regard as unworkable. We should have a clearer understanding of what will constitute unfair competition.

Mr. ISAACS.—That comes in clause 6.

Mr. KNOX.—If that be the case, what necessity is there to bring it in here?

Mr. ISAACS.—It is not defined here, but in clause 6.

Mr. KNOX.—What is "unfair competition" is set out in such a way that we are justified in asking the Attorney-General to reconsider the situation. I decline to accept his contention that any honorable member who may vote against this provision is presumably opposed to helping and encouraging in every possible way Australian work for Australian workmen.

Mr. ISAACS.—That will be the effect of the amendment, because, as the honorable member must know, it is proposed to strike out all reference to Australian industries.

Mr. KNOX.—I do not know anything of the kind. I decline to allow that the differentiation or line of division is justifiable. I think that the paragraph might have been made clear and emphatic, and acceptable to both sides of the Chamber.

Mr. ISAACS.—Let us do it, but do not strike it out entirely, as proposed.

Mr. KNOX.—I hope that the honorable and learned gentleman will show the same reasonableness which he displayed in connexion with paragraph *a*. I feel considerable difficulty in supporting the amendment, but I regard this part of the clause as bad as it stands. I decline to admit for a moment that I am not as sincere in my desire to see Australian industries prosper as is the Attorney-General.

Mr. ISAACS.—The honorable member appeals to me to be reasonable, but is he aware that the proposal is to strike out paragraph *b* entirely, and not to amend it. Is that reasonable?

Mr. JOSEPH COOK.—The Attorney-General might have also told the honorable member that it is all provided for in another part of the Bill.

Mr. PAGE.—It strikes me that the honorable member for Kooyong does not know where he is.

Mr. KNOX.—I do not think that the honorable member does.

Mr. PAGE.—I am sure that the honorable member does not. He wants to preserve Australian industries, and he also wants to strike out paragraph *b* of this clause in order to kill them. He is a regular Yes-No gentleman.

Mr. KNOX.—The honorable member interjects with that senselessness which characterizes him.

Mr. PAGE.—I do not represent the "Geebung Club."

Mr. KNOX.—I do not know what the honorable member represents.

Mr. PAGE.—If the honorable member will come and fight me at the elections he will see.

Mr. KNOX.—When I entered the chamber I was not aware that the proposal was to excise the whole of paragraph *b*, but the position was explained to me afterwards. Unless in another part of the Bill there is provided a means of preventing unfair competition of this character, I cannot see how I could support the excision of the paragraph; but if the Attorney-General will not listen to the representations which have been made to him for its modification—

Mr. ISAACS.—No representations have been made yet. The only suggestion is to strike out the paragraph.

Mr. ROBINSON.—No; an honorable member made a suggestion before the dinner adjournment, and stated the words of his proposed amendment.

Mr. KNOX.—I understand that representations have been made to the Attorney-General for certain modifications, and it is in view of that circumstance that I say he is attempting to place me in a false position. He will not accept a modification.

Mr. ISAACS.—What modification?

Mr. KNOX.—It is to give a proper definition of what constitutes "an Australian industry," and also "unfair competition."

Mr. ISAACS.—That is not a modification.

Mr. KNOX.—I ask the honorable and learned gentleman to tell me now what will constitute "unfair competition"?

Mr. ISAACS.—The honorable member will find "unfair competition" defined in clause 6, so far as it can be defined.

Mr. KNOX.—Will the honorable and learned gentleman explain to me in a proper way, and upon the lines which I have indicated, what is regarded as "unfair competition"?

Mr. ISAACS.—When we reach clause 6 will be the time to deal with that point.

Mr. JOSEPH COOK.—This is the clause on which to deal with that matter.

Mr. ISAACS.—If honorable members wish to kill the Bill, of course it is.

Mr. KNOX.—On several occasions, I have stated deliberately that I have no such design.

Mr. ISAACS.—I am not saying that the honorable member wishes to do that, but

certainly that would be the effect of the amendment if carried.

Mr. KNOX.—I ask the honorable and learned gentleman, before a vote is taken, to more definitely and clearly explain what he means by unfair competition?

Mr. ROBINSON (Wannon) [8.53].—My doubts as to the meaning of the clause have not been removed by the explanation of the Attorney-General. It seems to me that he was not quite sure as to what was meant by paragraph *b*. He said that one object was to prevent an Australian industry from receiving unfair competition at the hands of a foreign industry. But he must have been well aware that that subject is dealt with in Part III. of the Bill, particularly in clauses 13, 14, and 15, which show that foreign goods can be prevented from coming here to compete with local goods. If the honorable and learned gentleman's object is to prevent the dumping of foreign goods, either the provision in paragraph *b* is redundant, or else it must have some other end in view. And that, so far as I can perceive, is to prevent the free distribution of imported or Australian goods between the States. If it is aimed at Inter-State free-trade, of course it is unconstitutional. The more the Attorney-General explained the clause, the worse it seemed to me. He dealt with the case of Japanese coal being brought here to destroy the local coal industry, when Part III. of the Bill is framed for the express purpose of preventing such competition. Although no one knows that fact better than does the honorable and learned gentleman, yet we have this boggy of Japanese coal trotted out for the purpose of covering his retreat when pushed into a corner. Similarly, by interjection during the last speech, he endeavoured to raise the fiscal question on this particular clause, knowing full well that Part III. of the Bill deals with the whole fiscal question. It is idle for the honorable and learned member to shake his head, because he knows that my statement is correct. He is misleading the Committee by suggesting that he is endeavouring to protect Australian industry from unfair competition. If the paragraph is to be given any meaning by a Court, it must be held to mean that one part of an Australian industry can compete unfairly with another part of that industry, and if that interpretation is not going to be attached to the provision, we can only assume that it is intended to interfere with Inter-State free-trade. But of

course no Commonwealth Court would hold that that was constitutional. Either it has the meaning which I mention, or it has no meaning, and, therefore, should not be retained in this clause. We asked the Attorney-General for an explanation of the paragraph, but his speech, extending over twenty minutes, related to matters which are dealt with in another portion of the Bill. Will he look at clauses 13 and 14 of Part III., and say that Japanese coal, if imported to unfairly compete with Australian coal, could not be dealt with? Not even a gentleman with the Attorney-General's skill in dialectics could say that such a case is not met, or intended to be met, by those clauses. What is the meaning of the provision we are discussing? The meaning must be that it is proposed to discriminate between branches of an industry—between the same industry carried on in different portions of Australia—or else to interfere with Inter-State free-trade. If the wish be to interfere with the importation of foreign goods, that can be done under Part III., but if the intention is to interfere with Inter-State free-trade, as guaranteed by the Constitution, this Legislature is placed in a ridiculous position. There may be some means of amending the clause, so as to put some sense into it. The honorable member for Lang has a proposal to make, but I am not prepared to commit myself to it without consideration. The clause, as it stands, is absolutely meaningless, unless the object of it be that one portion of an Australian industry shall be protected against another portion; that is to say, that a portion of the coal industry, for instance, will have the right to be protected from another portion of the coal industry. Such legislation, I say, is forbidden by the Constitution.

Mr. PAGE (Maranoa) [9.2].—After listening to the honorable member for Kooyong, I am more than ever satisfied that he does not know "where he are." The honorable member desires to be informed as to what unfair competition is; and, no doubt, he will find out on the day of election. If the honorable member thinks I am senseless, I invite him to contest the Maranoa electorate against the brainless candidate; and I guarantee to send him back to Kooyong with his tail jammed. If ever an honorable member made an electioneering speech in this Chamber, the honorable member for Kooyong has done so. We have been told about the honorable

member for East Sydney making "Yes-No" speeches; the speech of the honorable member for Kooyong on this Bill was certainly a "Yes-No" speech. The position is that, now the election is approaching, the honorable member for Kooyong, and those who think with him, are trying to get as far as they can from the free-trade section, and yet they do not want to leave it altogether. The honorable member for Kooyong says that he does not desire to kill Australian industries; and yet his intention is to vote for the amendment of the honorable member for North Sydney. But the honorable member for Kooyong does not know what that amendment is. The honorable member heard outside the Chamber, or just before dinner, that the honorable member for North Sydney would propose that the whole of paragraph *b* be struck out; whereas, the amendment that that honorable member has submitted is simply that the word "or" be omitted. I am satisfied that the honorable member for Kooyong, when he votes, will not know what he is voting for; and yet he has the cheek to get up here and tell us he represents the commercial interests of Australia. I represent the commercial interests—the bone and sinew—of Maranoa, and I might go on to say that I am president of the "Geebung Club," or of the "Go-bung" Chamber of Commerce. Every honorable member in the House represents the commercial community just as much as does the honorable member for Kooyong. The honorable member does not represent the commercial community in my electorate. I am the member for Maranoa, and not the honorable member for Kooyong. We have had a real "field day" on this particular provision, and the sooner we get to a vote the better.

Mr. KNOX (Kooyong) [9.5].—I think I am perfectly entitled to say a word. The honorable member for Maranoa has used language of a personal character, which I am perfectly sure he will afterwards regret. I am not aware of any reason why the honorable member should constantly interrupt when I speak, and I do not think it right or proper that he should do so in the manner he does. My position is absolutely consistent with the position I have always taken up in this House. The honorable member's talk about the "Geebung Club," and nonsense of that kind, only emphasizes the statement I made in regard to him. The honorable member is doing himself an injustice, because every honorable member

respects and likes him; it is only when he rises and talks nonsense of the character we have just heard that he makes himself appear absurd. I arrogate to myself no special position, but speak simply as the representative of the electors who sent me here. But I am here to do what I think is in the interests of the whole community, as well as in the interests of the individual electors who returned me. Whatever position I take up, I do so fearlessly, and regardless of whether the electors favorably or unfavorably view my action. Every honorable member who has sat in the two Parliaments will agree that I always fearlessly state what I believe to be correct—that I do so without equivocation, or regard to the electors or any body else. I can assure you, Mr. Chairman, that I should feel very much what the honorable member for Maranoa has said if I did not know that ten minutes later he will express his regret. I know that the honorable member does not mean what he says, and will presently desire to withdraw his statement. But it is not proper that statements of the kind should appear in the press or in *Hansard*, because they degrade the position of this House, and it is a great pity they are allowed.

Mr. JOSEPH COOK (Parramatta) [9.10].—I have listened to the explanations of the Attorney-General regarding this clause, but it appears to me that he only makes confusion worse confounded. I do not hesitate to say that I do not think the Attorney-General is "playing the game" quite fairly.

Mr. ISAACS.—I am not playing any "game"—the honorable member may be doing so.

Mr. JOSEPH COOK.—The Attorney-General may put the position which way he likes; it does not matter. The illustrations of the honorable gentleman are catch-penny illustrations, and nothing more. For instance, last night, when on the same matter, he spoke of the possibility of several large farmers oppressing and injuring the small farmers of Australia, whereas to-night he tells us there can be no such thing, since the farmers are all engaged in the same Australian industry.

Mr. ISAACS.—I did not say anything of the kind.

Mr. JOSEPH COOK.—Then, again, to-night he goes to Japan for an illustration, and imagines the possibility of Japanese coal being poured into Australia

to the destruction of the coal industry. When the Attorney-General is so hard up for illustrations—when he has to rake creation through to find a possible case of injury, it is time we stopped legislating for improbable and impossible cases. If that is the whole aim of the Bill, it becomes increasingly clear that we are not ripe for such drastic, far-reaching proposals. I suspect, however, that the real intention behind the clause is that which has been blurted out so bluntly by the honorable member for Melbourne Ports, who says that the reason for this proposal is a desire to get work here, and keep it here.

Mr. MAUGER.—That is good cause. Does the honorable member object?

Mr. JOSEPH COOK.—Why does not the honorable member's leader have the candour to put that reason in the forefront of the Bill? Why has not the Attorney-General the candour and frankness to say that this is a fiscal proposal and nothing more?

Mr. MAUGER. — It is not a fiscal proposal; it is a provision, *plus* a fiscal proposal.

Mr. JOSEPH COOK.—My reading of the clause is that it is for the purpose of dealing with Inter-State monopolies. According to the Attorney-General to-night, there can, under this clause, be no Inter-State monopoly of a deleterious kind to be visited by penalties. For instance, supposing Mr. McKay should enter into a combination within Australia, and chase all the other Australian implement makers out of business, he would not be injuring an Australian industry. He really would be only grouping, combining, and consolidating the industry, according to the reading which the Attorney-General has given to-night. My impression is that this clause is intended to relate to sections of the same industry operating antagonistically in the various States. I understood from the beginning that it was the intention of the Government to provide for monopolies within Australia—that is, for Australian monopolies as well as for outside and foreign monopolies.

Mr. ISAACS.—So far as we could, and as the Constitution allows.

Mr. JOSEPH COOK.—It appears to me that the complication has arisen from copying the American trust legislation, which aims at the restriction of trusts within America. It would have been very much better if we had had two Bills, if

that is the object of the Government—a Bill to repress trusts in Australia, and a Bill to repress foreign trusts and their depredations in Australia. The two objects should, I think, be kept distinct.

Mr. ISAACS.—The House gave a very distinct expression of opinion last session that we should make one Bill cover as much ground as we could.

Mr. JOSEPH COOK.—The trouble is that, when we come to inquire as to whether the Bill does cover Australian ground, the illustrations which the Attorney-General gives us seem to show the impossibility of such trusts occurring. Supposing some harvester maker, or some enterprising coal proprietor, in Australia, should, by reason of having increased capital at his back—and that is a point the Attorney-General made much of in his explanation to-night, when he expressed a wish to prevent possible depredations by large aggregations of capital—make up his mind to clear away all competition and create an Australian monopoly, then, according to the Attorney-General, there would still be an Australian trade, and the capitalist could not be touched under this clause.

Mr. ISAACS.—He is struck at by other clauses in the same Bill. He would not be allowed to go on as he liked,

Mr. JOSEPH COOK.—What clauses?

Mr. ISAACS.—Clauses 7 and 8—under clause 7 any individual person who does Inter-State trade, and under clause 8 a corporation which does trade, whether in a State or beyond a State.

Mr. JOSEPH COOK.—There is the same difficulty there.

Mr. ISAACS.—Every possible case of monopoly or unfair dealing that it is possible for us to deal with under the Constitution we have dealt with. We have shown no favour to any one.

Mr. JOSEPH COOK.—I quite believe the honorable gentleman, but his illustrations are unfortunate.

Mr. ISAACS.—I did not select the illustrations. I simply dealt with those put before me.

Mr. JOSEPH COOK.—The interpretation of the Attorney-General is, as I understand it, that this clause has not to do with competing sections of Australian industry, but has regard to Australian industry as a whole.

Mr. ISAACS.—That is paragraph *b* of clause 4.

Mr. JOSEPH COOK.—Yes. Really, then, it seems to me to be a clause which will encourage rather than repress Australian monopolies.

Mr. ISAACS.—That is a fair way of dealing with it, but it is different from the other position put by the honorable member.

Mr. JOSEPH COOK.—If Australian industry as a whole has to be regarded, and not a section, no matter how remotely located, of some particular industry, it seems to me to be a splendid proposal for building up and protecting Australian monopolies, rather than for preventing them.

Mr. ISAACS.—That would be very good criticism if we had not the clauses 7 and 8 in the Bill.

Mr. JOSEPH COOK.—I do not see that clauses 7 and 8 operate to the contrary.

Mr. ISAACS.—They strike against any monopolies.

Mr. JOSEPH COOK.—They deal with monopolies of Inter-State trade or external trade, and with monopolies by corporations. Well, a man or a corporation might eliminate all competition from many of the industries of Australia, and so long as he sold his goods at a fair price, and paid fair wages for labour—as every trust in the world to-day is doing—he could not, according to the terms of the Bill, be touched at all, simply because there would be no “detriment of the public.” That phrase, “detriment of the public,” appears to me to be as wide as it is possible to make it. In Australia it is hardly possible to conceive of a huge aggregation of wealth for the purpose of controlling industries operating in any such way as it is possible for trusts to operate in the United States. There, as is well known, the means of transportation are the mainstay of the monopolies. It is easily possible to conceive, as we are told is the case in connexion with shipping on the coast, of a trade being controlled and grouped without there being any detriment to the public, whilst at the same time there is something in the nature of a monopoly to the extent of controlling the whole of the operations of the trade within the Commonwealth. According to the Attorney-General, such a monopoly could not be touched under the clauses of this Bill. for the simple reason that an Australian in-

dustry must be regarded as a whole. Will the Attorney-General say that this Bill would take no account of a possible sectional disorganization that went on while this process of incorporation was going forward? Suppose the coal industry in New South Wales should, by reason of some extraordinary facilities, greater capital and power of combination, combine to knock out the coal industry of Victoria. Would not this Bill apply to a case like that? According to the interpretation of the Attorney-General, it would not, because the industry is to be regarded as one.

Mr. ISAACS.—This paragraph would not.

Mr. JOSEPH COOK.—Would the Bill at all? I do not see that it would.

Mr. ISAACS.—Wait until we come to clauses 7 and 8. Then we shall see.

Mr. JOSEPH COOK.—The explanation of the Attorney-General, so far as I can see, only shows the necessity of eliminating this provision since it can have no possible effect, except a purely fiscal effect, which can be readily and completely covered in any Tariff proposals which the Government may wish to bring forward. The honorable and learned gentleman talked of preserving genuine, valuable industries. That, again, was a very wide and vague statement to make. What are “genuine, valuable industries”? Who would decide that? Everything would depend upon the point of view. For instance, I understand that the Government contemplate bringing down a scheme for the encouragement of Australian industries. When that scheme comes before this House for consideration there will be the largest possible divergence of view as to whether those industries are worth cultivating in Australia. For instance, there are the cotton industry, the coffee industry, the silk industry, and many others. They are what may be called tropical industries. They may be valuable and genuine. They may be important from one point of view. Some honorable members may regard them as very important industries, but others may think that they are exotic, and that we ought not to attempt to establish them in Australia, where our wage rates and industrial conditions are at so high a level. I submit that the Attorney-General ought to give us further illustrations of the effect of this provision, or should, as has been suggested, consent to its excision from the

Bill as being totally unnecessary; especially as we have subsequent clauses which cover every possible scheme or machination for the destruction of Australian industries by means of trustification, and the evils attendant thereupon.

Mr. KELLY (Wentworth) [9.24].—I quite indorse everything that has been said by honorable members who have preceded me as to the unnecessary character of the provision under discussion. I wish to add a few words as to what I take to be its complete unworkableness. As a layman, I am appalled by the amount of litigation that this paragraph is absolutely certain to occasion. I find that the question the Court has to decide in all cases before judgment can be awarded is whether or not the Australian industry in question is advantageous to the Commonwealth, having due regard to the interests of producers, workers, and consumers. The Court has to hear any evidence that may be adduced as to whether or not the industry is advantageous in the way named. We have recently had a Tariff Commission inquiring into certain industries in this very regard. The Commission has been sitting for a considerable time. It has inquired whether certain industries are worth preserving; for that practically was one of the purposes of its inquiry. I hold in my hand a digest of the evidence given before the Commission concerning the wine and spirit industries. This digest—which be it remembered does not contain the whole of the evidence—covers eighty-two pages of closely printed matter. Does the Attorney-General mean to say that, if the Court has to receive and hear evidence of so voluminous a nature upon the question whether or not any industry is worth preserving, any section of the community will derive benefit from this measure except the legal fraternity? As a layman, I repeat, I am absolutely appalled at the amount of litigation to which this provision will give rise if passed in its present form. Other questions concerning it have been dealt with by honorable members who have preceded me. I shall not deal with them at the present stage. But I do say that from whatever aspect this clause is regarded, whether from that of its fiscalism, and in that sense it is unnecessary as we have Part III. dealing with that question; or whether from that of its unworkableness, it is equally inexpedient to include in it the paragraph under discussion.

Question—That the word “or,” proposed to be left out, stand part of the clause—put. The Committee divided.

Ayes	28
Noes	11

Majority	17
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AYES.

Bamford, F. W.	Page, J.
Batchelor, E. L.	Phillips, P.
Carpenter, W. H.	Quick, Sir J.
Chanter, J. M.	Spence, W. G.
Chapman, A.	Storrer, D.
Culpin, M.	Thomson, D. A.
Deakin, A.	Tutor, F. G.
Ewing, T. T.	Watkins, D.
Forrest, Sir J.	Watson, J. C.
Frazer, C. E.	Webster, W.
Groom, L. E.	Wilson, J. G.
Hutchison, J.	
Isaacs, I. A.	
Maloney, W. R. N.	
Mauger, S.	

Tellers :

Cook, Hume.
O'Malley, K.

NOES.

Cook, J.	Smith, S.
Fuller, G. W.	Thomson, D.
Glynn, P. McM.	Willis, H.
Johnson, W. E.	
Kelly, W. H.	
Smith, B.	

Tellers :

Lee, H. W.
Liddell, F.

PAIRS.

Crouch, R. A.	Robinson, A.
Hughes, W. M.	Lonsdale, E.
Salmon, C. C.	McWilliams, W. J.
Wilkinson, J.	Edwards, R.

Question so resolved in the affirmative.
Amendment negatived.

Amendment (by Mr. ISAACS) proposed—

That the words “the design of,” line 9, be left out, with a view to insert in lieu thereof the word “intent.”

Mr. KELLY (Wentworth) [9.35].—I take it that the object of the amendment which the Attorney-General has carried in paragraph *a* is to give the defendant a reasonable opportunity to evade an unjust judgment.

Mr. ISAACS.—We do not wish to punish a man unless he has a guilty mind.

Mr. KELLY.—That, no doubt, is a better way of putting it. This amendment will have a contrary effect, because, in proceedings under paragraph *b* the defendant will be called upon to prove his innocence, and clause 6 provides that competition shall be deemed to be unfair until the contrary is proved.

Mr. ISAACS.—That has nothing to do with the intent.

Mr. KELLY.—The defendant, if the amendment is carried, will have to prove that he had no intent to compete unfairly.

Mr. ISAACS.—It will be much harder for him if the amendment is not made.

Mr. KELLY.—If the amendment is not made, the question will be one of fact; but how can a defendant satisfy a Court as to what his intention was if he is to be deemed guilty until the contrary is proved? Paragraphs *a* and *b* differ entirely, and I think that the Committee ought not to allow the proposed alteration in paragraph *b*.

Amendment agreed to.

Mr. JOHNSON (Lang) [9.36]. — I move—

That after the word "intent" the following words be inserted:—

"To prevent the producers or vendors of goods from freely offering their wares for sale; or

(c) To prevent the consumer or purchaser from obtaining his goods upon the most favorable terms afforded by free competition in the open market."

As I pointed out earlier in the day, the first part of the clause aims at the repression of monopolies, and so justifies the title of Part II. of the Bill; but the effect of the second part, if not amended, will be to promote monopolies, and belie the object of this part of the measure. I take it that we wish to prevent anything in the nature of monopolies which may hamper, discourage, or destroy trade. I hold that any combination whose object is to interfere with the right of primary producers, manufacturers, carriers, or sellers of goods, to carry on their operations freely, in accordance with the law as it stands, should be suppressed, and that, in like manner, any combination intended to prevent consumers or producers from having the utmost freedom of choice in the selection of their markets, and from buying or selling on the most favorable terms they can get, should be discouraged. We should not encourage the cornering of markets, or the preventing of makers or sellers of goods from placing their wares on the market to the best advantage, and at whatever prices they choose to ask. Neither should we interfere with the right of the public to purchase upon the best and most favorable terms that it can get. I wish to allow people of small means to obtain their goods as cheaply as possible, and to permit producers to supply their wants at prices which suit both parties. If a man invests money in the purchase of bankrupt stock, and buys it below its ordinary market value, he can, without selling at a loss, sell it again at prices below those ordinarily

charged by retailers, and, in doing so, will, of course, compete with the retailers who have not bought under such favorable conditions. Similarly, at the end of a season, reductions upon the ordinary selling prices are the custom in trade. The public, however, is a gainer by such reductions, and we have no right to deprive persons of small means of these opportunities to supply their requirements at exceptionally favorable prices. Everything that operates to interfere with the freedom of makers, sellers, or buyers of goods to transact business for their mutual benefit is, I hold, an undue and unnecessary restraint of trade, and an arbitrary usurpation of the powers of legislation.

Mr. PAGE (Maranoa) [9.43].—The honorable member for Kooyong has assured me that he did not mean anything when he called me a senseless individual, and, as he has withdrawn that remark, I withdraw what I said about him.

Mr. KNOX (Kooyong) [9.44]. — I am sorry that words passed across the chamber between the honorable member and myself. I know his feeling towards me, and I am glad that he has withdrawn what he said. I, on my part, withdraw what I said against him, and with all the better feeling, because I know that some of his remarks were without justification.

Mr. ISAACS (Indi—Attorney-General) [9.45].—After the splendid example we have had of voluntary conciliation, I think we can proceed to discuss the merits of the amendment. I can only say that its effect would be to reverse what we have already done, to defeat the object of the Bill, and to make an enactment that, so far from curbing the unbridled actions of powerful trusts, would make it penal to in any way interfere with their operations.

Mr. JOHNSON.—Would not the amendment make the clause more in agreement with the heading of the part to which it belongs?

Mr. ISAACS.—Instead of tending to repress monopolies, it would make it a penal offence to interfere with them. Any person who did anything, or agreed to do anything, that would in any way interfere with the gratification of the all-devouring appetite of these huge trusts, would be made a criminal. That being so, I have nothing more to say.

Mr. KELLY (Wentworth) [9.47].—I do not think that the Attorney-General could have read the amendment.

Mr. ISAACS.—I have read it very carefully.

Mr. KELLY.—The Attorney-General has stated that if the amendment were adopted, it would reverse all that has been done by the Committee, and undermine the whole purpose of the Bill. Now, let me direct honorable members' attention to the amendment. It proposes to make it penal "to prevent producers or vendors of goods from freely offering their wares for sale." Is it the object of the Bill to interfere with the free sale or production of goods? Does the Attorney-General wish us to understand that that is what has been already done?

Mr. ISAACS.—Read the whole of the amendment, and then ask the question.

Mr. KELLY.—The amendment proceeds "or prevent the consumer or purchaser from obtaining his goods on the most favorable terms afforded by free competition in the open market."

Mr. WATSON.—The honorable member is not in favour of the Bill.

Mr. KELLY.—We do not want to have any interference with free competition. We have heard the honorable member complain in past sessions of the restraint of trade brought about by the alleged tobacco monopoly.

Mr. WATSON.—Is the honorable member in favour of the Bill?

Mr. KELLY.—I shall give the honorable member my answer, and I hope that it will satisfy him so far as I am concerned, because I have heard him address the same question several times to the honorable member for Parramatta. I am able to reply with the greatest emphasis after what the Attorney-General has said. If, as the Minister states, the object of the Bill is to prevent producers and vendors of goods from freely offering their wares for sale, I am absolutely against the Bill.

Mr. WATSON.—That is a palpable evasion.

Mr. KELLY.—I am merely quoting what the Attorney-General has told us. The honorable member for Bland has complained of the restraint of trade for which, according to him, the tobacco monopoly is responsible. He has stated that certain agents and distributors are prevented from stocking goods other than those supplied by the tobacco combine. Under the proposed amendment it would be made penal for any person to prevent producers or vendors from freely offering their wares for sale. Therefore, so far

as the tobacco combine is concerned, the amendment would enable the operations of which the honorable member complains to be brought to an end. I do not see that it would do any harm, but, on the other hand, I believe that it would do much good. If the amendment is in direct contradiction to the spirit of the Bill, I think that we have arrived at a sorry pass. The general public believe that we are passing a Bill that is intended to insure free competition. They do not imagine that the object of the Bill is "to prevent producers or vendors from freely offering their goods for sale."

Mr. ISAACS.—The object of the Bill is to secure fair competition.

Mr. KELLY.—To all persons competing in the Australian trade?

Mr. ISAACS.—Yes.

Mr. KELLY.—The Attorney-General has come back a considerable distance after his remarks of a few minutes ago.

Mr. ISAACS.—The honorable member has been wandering. I have not come back.

Mr. KELLY.—*Hansard* will show exactly what my ingenious friend has said, and exactly what my ingenuous friend the honorable member for Lang has proposed. I trust that the amendment will be persisted in.

Amendment negatived.

Amendment (by Mr. ISAACS) agreed to—

That the words "of destroying or injuring," lines 9 and 10, be left out, with a view to insert in lieu thereof the words "to destroy or injure."

Mr. ISAACS (Indi—Attorney-General) [9.54].—I move—

That the words "in the opinion of a jury," lines 12 and 13, be left out.

This is in accordance with the suggestion of the honorable and learned member for Northern Melbourne, which, I think, is a very good one.

Amendment agreed to.

Mr. DUGALD THOMSON (North Sydney [9.55]).—I propose to insert at the end of paragraph *b* an amendment which should not meet with much opposition. It will be noticed that unfair competition embraces, as is shown in paragraph *c* of clause 6, competition which "would probably, or does in fact, result in greatly disorganizing Australian industry, or throwing workers out of employment." I do not think that any honorable member desires that our Australian industries should be so hedged round to protect them against competition that they will fall back into a condition as to efficiency which is not at all equal to the

state of industries elsewhere. Therefore I move—

That the following words be added to paragraph *b* "as well as to the efficiency of the management, processes, and machinery in the industry affected."

I do not think that it should be held—as it would have to be held under the provisions of the Bill as it stands—that the disorganization of an industry, although due to inefficiency or the employment of imperfect machinery, would constitute a sufficient reason for restricting competition.

Mr. ISAACS.—Would not that be part of the interests of the producers?

Mr. DUGALD THOMSON.—I am not so sure of that. I would rather see it distinctly stated.

Mr. ISAACS.—If the amendment were inserted, we should also have to provide that regard should be had to the hours of labour worked by the employes, the sanitation of the factories, and that kind of thing.

Mr. DUGALD THOMSON.—That is already provided for. In paragraph *b* of clause 6 it is provided that the competition shall be deemed unfair "if it would probably, or does in fact, result in a lower remuneration for labour." The interpretation clause shows exactly what is meant by that. It says—

"Lower remuneration for labour," includes less pay or longer hours or any terms or conditions of labour or employment more disadvantageous to workers.

That is perfectly distinct.

Mr. CARPENTER.—The producers are not mentioned there.

Mr. ISAACS. — The honorable member might move to insert another paragraph in clause 6. That is the proper place in which to embody any provision of the character he desires.

Mr. DUGALD THOMSON. — If the Attorney-General prefers that I should propose its insertion in clause 6 I have no objection to do so.

Mr. ISAACS. — Clause 6 is the proper place to insert any provision relating to unfair competition.

Mr. DUGALD THOMSON.—I merely say that the matter should be taken into consideration. I believe it is the wish of the Committee that the efficiency of the management, processes, and machinery of any industry alleged to be affected should also be taken into consideration. Otherwise, we should declare that, however inefficient the management, processes, and

machinery of an industry might be, any undue disturbance of it which resulted in displacing men from their employment would constitute a ground for deeming competition unfair. I do not think that that is intended by any honorable member, and therefore we might well insert some such provision in the Bill. If we fail to do so, we shall, in effect, declare that, however ancient the machinery or processes employed in an industry may be, competition with it is to be deemed unfair if, by the use of better processes and machinery, that industry is disturbed, and workers are thrown out of employment.

Mr. ISAACS.—What the honorable member desires is that, in the determination of the question of whether competition is unfair, regard shall be had to the management, processes, and machinery of the industry affected.

Mr. DUGALD THOMSON.—Yes.

Mr. ISAACS.—At the present moment I see no objection to inserting such a provision in clause 6.

Mr. GLYNN.—It should be inserted after the word "circumstances," and not where the Attorney-General first stated.

Mr. ISAACS (Indi—Attorney-General) [10.3].—It can be inserted anywhere in clause 6. If we add a second paragraph, to read, "In the determination of the question of whether competition is unfair, regard shall be had to the efficiency of the management, processes, and machinery of the industry affected," that will carry out the view of the honorable member for North Sydnev. As the matter strikes me at present, subject to further consideration, I see no objection to the insertion of a proviso of that sort. If, however, upon reconsideration, I do not think that it should be embodied in the Bill, I will move the recommittal of the clause, so as to give the honorable member an opportunity of dealing with it.

Mr. DUGALD THOMSON.—I am perfectly willing to leave the matter open.

Amendment, by leave, withdrawn.

Mr. FULLER (Illawarra) [10.4]. — I have been endeavouring to follow the amendments which have been made in this clause, and I understand that the words "in the opinion of the jury" have been excised. I desire to know who is to determine what is unfair competition and what is "intent to injure or destroy an industry."

Mr. ISAACS.—The jury.

Mr. FULLER.—I understood that the words "in the opinion of the jury" have been omitted.

Mr. ISAACS (Indi—Attorney-General) [10.5].—In criminal matters, as the honorable and learned member for Illawarra is aware, a jury has to find a verdict upon all questions of fact. It was pointed out by the honorable and learned member for North Melbourne that the retention of the words "in the opinion of the jury," as applied to the question of whether the preservation of an industry was advantageous to the Commonwealth, might make it appear that the *expressio unius* was to the exclusion of the other, and consequently there might be some doubt as to whether the other questions were to be decided by a jury. By striking out the words "in the opinion of the jury" it is made clear that all questions of fact are to be determined by a jury.

Clause, as amended, agreed to.

Clause 5—

1. Any foreign corporation, or trading or financial corporation formed within the Commonwealth, which wilfully, either as principal or agent, makes or enters into any contract, or engages in any combination to do any act or thing—

(a) in restraint of trade or commerce within the Commonwealth to the detriment of the public, or

(b) with the design of destroying or injuring by means of unfair competition any Australian industry the preservation of which in the opinion of the jury is advantageous to the Commonwealth, having due regard to the interests of producers, workers, and consumers,

is guilty of an indictable offence.

Penalty: Five hundred pounds.

2. Every contract made or entered into in contravention of this section shall be absolutely illegal and void.

Amendment (by Mr. ISAACS) agreed to—

That the word "wilfully," line 3, be left out.

Mr. DUGALD THOMSON (North Sydney) [10.8].—I wish to draw attention to a point which I raised upon the motion for the second reading of the Bill. It has reference to the effect of the words "enters into any contract, or engages in any combination, to do any act or thing." How far do the words "enters into any contract" extend? For instance, would a bill of lading be considered a contract under this provision?

Mr. ISAACS.—No.

Mr. DUGALD THOMSON. — The freight, for instance, might be considered high.

Mr. ISAACS.—I cannot conceive of any circumstances under which a bill of lading could be considered a contract with intent to restrain trade.

Mr. DUGALD THOMSON.—I do not think that it should be so considered. I quite agree that the Bill would interfere with a shipping combination, which might be restraining trade to the detriment of the public. But a particular contract such as a bill of lading—although it might be considered a restraint of trade—should not be interfered with. I merely desire to know whether it would be so interfered with or not?

Mr. GLYNN (Angas) [10.10].—This clause aims at making a foreign corporation criminally responsible for a certain act. Now I would point out that a foreign corporation has no individuality in Australia.

Mr. ISAACS.—It can have.

Mr. GLYNN.—I doubt it. A corporation has no existence outside the territory in which it is created, except by courtesy. Unless we pass a law giving a status to a corporation it has no status within our borders. It may be represented by an attorney, but I cannot see how it can be indicted here.

Mr. ISAACS. — Cannot we wind up a foreign corporation so far as its property here is concerned?

Mr. GLYNN.—A foreign corporation is always represented by an agent or attorney. In this connexion I would refer the Attorney-General to an article in the last number of the *Law Quarterly Review*, in which it is pointed out that the assumption that corporations are entities in a foreign place is a mistaken one.

Mr. ISAACS.—I thought that the well-known case of the Carron Iron Works decided that.

Mr. GLYNN.—I am dealing generally with the fact that a corporation is a special creation of the law of a particular place outside of which it has no existence.

Mr. GROOM. — Does the honorable and learned member say that it cannot be sued outside of that place?

Mr. GLYNN. — That point has not arisen. It may, under State laws, be sued through an agent or attorney, and, as a rule, corporations in Australia are represented by an attorney. But we are now dealing, not so much with

the civil status of corporations, as with their criminal liability, and if it be true that a corporation in a foreign country has not a full-fledged status, except under the law of that country, I do not see how we can make it criminally liable under our Commonwealth Acts. Surely the Attorney-General does not say that he is dealing with the status of foreign corporations under this Bill?

Mr. ISAACS.—The Constitution does not refer to the "status" of foreign corporations, but to foreign corporations.

Mr. GLYNN.—But this is not a Bill dealing with the status of foreign corporations within our territory. The same observations would apply to clause 9. The scheme of that provision is to enable us to get at the agent of a foreign body.

Mr. ISAACS.—Amongst other persons.

Mr. GLYNN.—The idea underlying clause 9 is that we cannot very well get at a foreign corporation, and consequently we endeavour to get at its agent.

Mr. ISAACS.—We can get at a foreign corporation if it has sufficient property here to pay any fine imposed.

Mr. GLYNN.—But we cannot indict a foreign corporation. I desire to know whom the Attorney-General would select as the defendant in an information against a foreign corporation? This matter is very fully elaborated in the article to which I have referred, which certainly does show with some amount of plausibility, that we cannot very well deal with a foreign corporation unless we pass a special Statute conferring upon it the status that it possesses in the country of its origin.

Mr. ISAACS (Indi—Attorney-General) [10.14].—With regard to the question which has been raised by the honorable member for North Sydney, I cannot at present understand how a mere bill of lading given by a shipping combination could in itself be a contract in restraint of trade. But that would leave entirely untouched the combination which was outside the bill of lading, and of which the bill of lading was, so to speak, only the result. I should not think that the bill of lading could by any possibility fall within the provision.

Mr. DUGALD THOMSON.—I know that there is some fear that it may.

Mr. ISAACS.—I do not think that there is any ground for the fear. Of course, a bill of lading might be evidence of the overt act of an offender. But as far

as I can see it could not by any stretch of imagination be brought within the Bill as being in itself a substantive offence. With regard to the position of foreign corporations it is a very difficult question which the honorable and learned member for Angas has raised. But I take it that the power given to the Federal Parliament under the Constitution to legislate with respect to foreign corporations and trade and financial corporations formed within the Commonwealth enables us to pass any legislation we think necessary with regard to those objects. Therefore, knowing that foreign corporations do trade in our midst, their head office being wherever they were formed and incorporated, and some of their branches or agents being here, undoubtedly they could be sued civilly under clause 11, and the persons who represented them here, and who were party or privy to the offence, if there was an offence by the foreign corporation, would come under clause 9.

Mr. GLYNN.—If the corporation itself were not liable under this clause its agent could not be liable under the other, because a man could not be accessory to a crime that did not exist.

Mr. ISAACS.—I think the fact that a foreign corporation, though formed in one country may trade in another country, and have its residence or domicile there, enables us to legislate in this way. In consequence of what was done on a previous clause at the suggestion of the honorable and learned member for Northern Melbourne, I move—

That the words "to do any act or thing," lines 5 and 6, be left out.

Mr. JOSEPH COOK (Parramatta) [10.19].—The more I look at this clause the more difficult it seems to me to do anything of an effective character. The utmost that could be done would be to haul before the Court the agent or representative of one of these foreign trusts. After an industry had been dislocated, workers thrown out of employment, wage rates lowered, and internal trade destroyed, all that could be done would be, not to get at the trust, but to fine the agent in the sum of £500. The trust would pay the fine, and go on smilingly.

Mr. ISAACS.—Not if there was an injunction against them.

Mr. JOSEPH COOK.—Does the honorable and learned member propose to take out an injunction against them?

Mr. ISAACS.—Yes. First of all, there is clause 10, and then there is an amendment in clause 11 which we have circulated, and which will allow instead of imprisonment for the first offence an injunction to be granted straight away upon conviction.

Mr. JOSEPH COOK.—That, of course, will meet the case to some extent. But it seems to me that unless the Attorney-General does contemplate asking for these injunctions, and stopping the depredations of which he complains, the penalties will be a mere flea bite.

Mr. ISAACS.—Certainly, if that were the only thing which could be done.

Mr. JOSEPH COOK.—How the honorable and learned gentleman proposes to get hold of the right man so as to make him toe the mark I am quite unable to understand.

Mr. ISAACS.—The culprit would be the man who was doing the thing. In Victoria there is no difficulty, because every foreign corporation must register.

Mr. JOSEPH COOK.—All they would have to do would be to go outside Victoria where that was not required.

Mr. ISAACS.—No.

Mr. GLYNN.—The local Statutes do not help this particular measure.

Mr. JOSEPH COOK.—I do not think so. At any rate, it is so purely a matter of law, that I, as a layman, hesitate to express an opinion.

Mr. BRUCE SMITH.—Why does the honorable member want to fill up all the pitfalls?

Mr. JOSEPH COOK.—I venture to say that this will be a very good thing for the lawyers.

Mr. BRUCE SMITH.—If the honorable member is against the Bill, the more pitfalls he has the better.

Mr. JOSEPH COOK.—I am not against the Bill, but against some of its provisions. Really, what makes one tilt against the Bill so much is the skilful way in which it has been charged with the dominant fiscalism of the day. Ostensibly, a Bill to stamp out trusts, it is really a Bill for the protection of Australian industries in a more effective way than a straight-out Tariff reform would do.

Mr. ISAACS.—The honorable member means by that that protection is the only way in which to advance the interests of the country?

Mr. JOSEPH COOK.—I do not quite understand the interjection. I am simply

speaking of the difficulty of dealing with the Bill in a sensible straightforward manner, owing to the way in which anti-trustism and anti-fiscalism are mixed up together. However, if the Attorney-General is satisfied that he could get hold of the real culprit and effectually stop the trouble, I shall have to be content with that assurance.

Mr. ISAACS (Indi—Attorney-General) [10.25].—The law of Victoria provides very effectively for the registration of a public officer. Some of the other States, I think, have not got their law in so complete a form, but we are now engaged upon the work of unifying the companies and the insolvency laws, so as to put these matters upon a regular and uniform basis.

Mr. DUGALD THOMSON (North Sydney [10.26].—The last remarks made by the Attorney-General really indicate that at an earlier stage we ought to have directed our attention to the framing of a universal law for corporations and companies operating throughout the Commonwealth. Had that course been taken, some apparent difficulties in connexion with this measure would not have arisen. I wish to point out to the Attorney-General a difficulty which I expressed when we were dealing with another clause, and which seems to be more manifest in this clause, which touches any foreign corporation, or trading or financial corporation, formed within the Commonwealth, but carrying on its operations in only one State.

Mr. ISAACS.—It includes that.

Mr. DUGALD THOMSON. — Previously, we provided for corporations which were engaged in Inter-State trade, but here we are trying to provide for corporations, local as well as foreign, which confine their operations to one State. If such a corporation injured an industry, it would only injure the industry of that State. It would not injure the industry of all Australia.

Mr. ISAACS.—If one of the honorable member's arms were injured, he would be injured.

Mr. DUGALD THOMSON. — The honorable and learned member is getting away from the position which he previously occupied. I really cannot follow him. Previously, he stated that a competitor in an industry who injured another competitor—that is another limb or arm of the industry—could not be touched by the Bill. It was only when he injured the industry of all Australia that he could be reached.

Mr. ISAACS.—Oh, no. I never said that in order to commit an offence a person would have to go all over Australia.

Mr. DUGALD THOMSON.—No; but the honorable and learned gentleman said that a competitor, or a section of competitors, in an industry who injured the industry of a particular State or district or town, could not be held to be injuring the industry of all Australia. Here we have a competitor who is a limb or branch of an industry in one State, and the Attorney-General now implies that under this clause that limb or branch, if it injured another limb or branch, would be liable to the penalties under the Bill.

Mr. ISAACS.—Suppose that an off-shoot of the American Tobacco Company, for the sake of carrying on business here, registered itself as an Australian company, and then started to break down all the Australian manufacturers of tobacco, would not that be a case in point?

Mr. DUGALD THOMSON.—If so, an off-shoot of an American tobacco company established itself as an Australian industry, then, because the operators had come from America or England, they would be liable to the penalties under the Bill. But an off-shoot of an Australian tobacco industry—a competitor conducting operations in the same way, getting his supplies from the same source and using the same unfair competition—would not be liable to the penalties under the Bill.

Mr. BRUCE SMITH.—Is not that a matter for the Judge by-and-by?

Mr. DUGALD THOMSON.—The Attorney-General is expressing his interpretation of the clause.

Mr. BRUCE SMITH.—Yes; but we are not bound by his expressions.

Mr. ISAACS.—I gave that only as an illustration in answering one objection.

Mr. DUGALD THOMSON.—Of course, we can all form our own conclusions, but, naturally, we wish to know what we are supposed to be doing in adopting certain provisions. It is not enough to have a general provision, and leave the Court to decide; we ought to know whether we are doing all we intend to do. We are trying by this provision to reach corporations which operate only in one State. With all respect, I say that if the Attorney-General's reading of the previous clause is correct, a competitor in an industry unfairly competing with another person or firm in that industry cannot be made liable for penalties under

this Bill, because he does not injure the whole Australian trade, but only his particular competitor's portion of the trade. Therefore I submit that there are contradictions in the Bill—contradictions which, according to the Attorney-General, ought to be removed if recognised. I know that the task of the Attorney-General is a difficult one, but still a statement which is made to secure the passage of one clause should be taken into consideration when dealing with another clause, which, if the statement be accurate, would not attain the purpose intended. I see those difficulties, in addition to that pointed out by the honorable and learned member for Argus, and also the further constitutional difficulty referred to by the honorable and learned member for Northern Melbourne. I do not know whether the Attorney-General dealt with the latter point.

Mr. ISAACS.—I referred to it.

Mr. KELLY (Wentworth) [10.34].—Legal gentlemen have, by interjection during the last quarter of an hour, stated that there are pitfalls in this clause—that rich people who can brief the legal fraternity will be enabled to drive a coach and four through the Bill. That is an opinion which I commend to the attention of honorable members in the corner.

Mr. CARPENTER.—That is said about every Act of Parliament.

Mr. WATKINS.—And is mostly true.

Mr. KELLY.—I am afraid it is very true in regard to this Bill.

Mr. TUDOR.—If the honorable member thought so, he would allow the Bill to go through.

Mr. KELLY.—The honorable member is saying something which he knows to be incorrect. I did my best this afternoon to allow no pitfalls in the measure, so far as I could prevent them. Here, however, is a pitfall which the honorable member for Yarra is prepared to allow to remain; the honorable member is prepared to allow the powers of wealth to be used to evade the penalties which these clauses impose. I have risen to ask the Attorney-General whether he can throw any light on the opinion expressed by the legal gentlemen to whom I have referred?

Mr. ISAACS.—I do not know of any pitfalls.

Mr. KELLY.—For instance, is the Attorney-General convinced that in States where the companies laws are not similar to those in Victoria, the Commonwealth can sue a corporation in its corporate capacity?

Mr. ISAACS.—I think so; I see no difficulty.

Mr. KELLY.—The Attorney-General will see that a foreign corporation has no corporate being in Australia, an agent here not having any status until he is given status by Act of Parliament. Here we have a proposal to deal with these corporations or agents without giving the agents any status; and there is a pitfall that will suggest itself to any honorable member. This clause is, I think, intended to prevent any organized attempt on the part of wealthy foreign trusts to strangle a growing Australian industry.

Mr. CARPENTER.—Has the honorable member read clause 9?

Mr. KELLY.—I have read all the clauses.

Mr. CARPENTER.—Does clause 9 not meet the objection the honorable member is raising?

Mr. KELLY.—I do not think it does.

Mr. CARPENTER.—The Attorney-General thinks it does.

Mr. KELLY.—The Attorney-General has never said that clause 9 meets the objection.

Mr. ISAACS (Indi—Attorney-General) [10.39].—Yes, I have said that I think clause 9 meets the objection. The position would be serious if it were not for the fact that a corporation can only act by individuals. As I explained a little time ago, a foreign corporation, wherever formed, must have its residence or its domicile where it is carrying on business. If a foreign corporation establishes a branch, and puts its name up, it is there operating, and it can only, from the nature of things, operate by individuals. If a foreign corporation is a member of a combination in contravention of the Bill, and if under clause 9 some person in the employ of the corporation, directly or indirectly, is knowingly concerned in or proved guilty of an offence, he is dealt with as an original offender.

Mr. DUGALD THOMSON.—Can both the corporation and the agent be penalized?

Mr. ISAACS.—Of course. What we say is that the corporation is a party to the offence, and is liable to a penalty of £500—that is all that can be done to a company.

Mr. DUGALD THOMSON.—But having done that, can the agent also be penalized?

Mr. ISAACS.—Yes. It is as if two persons, a master and servant, were committing an offence, and they can both be punished.

Mr. KELLY.—Would anybody penalized under clause 9 have to pay the penalty under clause 5, in view of clause 6? I am referring to the question of unfair competition.

Mr. ISAACS.—There is no penalty under clause 6.

Mr. KELLY.—Clause 6 imposes the onus of proof under certain contingencies; will the onus of proof be equally imposed under clause 9?

Mr. ISAACS.—Yes.

Mr. KELLY.—Then it seems to me that clause 9 does meet the case.

Mr. ISAACS.—I omitted to make clause 5 agree in another respect with clause 4. With that end in view, I should like to move that after the word "engages" the words "or continues" be inserted.

Amendment, by leave, withdrawn.

Amendments (by Mr. ISAACS) agreed to—

That after the word "engages," line 5, the words "or continues" be inserted; that the words "to do any act or thing," lines 5 and 6, be left out; that the words "in restraint of," line 7, be left out, with a view to insert in lieu thereof the words, "with intent to restrain"; that the words "the design of destroying or injuring," line 10, be left out, with a view to insert in lieu thereof the words "intent to destroy or injure."

Amendment (by Mr. ISAACS) proposed—

That the words "in the opinion of the jury," line 13, be left out

Mr. JOSEPH COOK. — Is it meant that there shall be no jury at all?

Mr. DUGALD THOMSON (North Sydney) [10.45].—I quite agree with the omission of these words. Does the Attorney-General intend to take into consideration the suggestion of the honorable member for Bland with regard to a first offence coming before a Judge only?

Mr. ISAACS (Indi—Attorney-General) [10.46].—I intend to consider that point. At present my inclination is not to accept the suggestion, but I will consider how it will operate. The object of the amendment before the Committee is to meet an objection which the honorable member for North Sydney pointed out, that the insertion of the words "in the opinion of the jury" in this particular place connects the opinion of the jury with one particular fact only—the preservation of industry; and it would appear that we do not wish the jury to express an opinion on the other facts of the case. The mere mention of it in this particular place might be an indication that that was the only thing which we wished the jury to decide.

Amendment agreed to.

Mr. HENRY WILLIS (Robertson) [10.47].—I desire to point out that it is quite a common thing to indent goods. I can conceive of goods to the value of £7,000,000—according to the list of the Minister of Trade and Customs—being indented by trusts. There are no means under this Bill by which we could strike at such trusts.

Mr. ISAACS.—The question is whether the endeavour is to break down Australian industries or to restrain trade and commerce.

Mr. HENRY WILLIS. — The goods would be imported for the purposes of legitimate trade, but at the same time the trust would be operating in Australia to the injury of Australian industry.

Mr. ISAACS.—What harm does the honorable member conceive that the trust would be doing?

Mr. HENRY WILLIS.—My point is that provision is made for coming down upon an agent, but that the trusts could do their business in Australia without agencies.

Mr. ISAACS.—If any wrong was done, we could come down on them.

Mr. HENRY WILLIS.—How could the Bill affect a trust if it had no agent here? We should be quite unable to attack the oil trust or the steel trust under this measure.

Mr. ISAACS. — The honorable member will help us to pass the dumping clauses, then?

Mr. HENRY WILLIS.—What I refer to would not be done by means of dumping. Suppose an order were given for £100,000 worth of railway construction material. An American trust could execute that order and indent the goods. Under this Bill we should be unable to stop the destruction of Australian industries in that manner, although the prices quoted would be for destructive purposes.

Mr. ISAACS.—If the competition was unfair we should be able to stop it.

Mr. HENRY WILLIS.—There might be no unfair competition, but at the same time there might be destruction of Australian industries.

Mr. ISAACS.—Fair competition we do not intend to prevent, but unfair competition the Bill does strike at.

Mr. HENRY WILLIS.—We want to prevent the operation of trusts in Australia

to the injury of Australian industries. I am opposed to the operation of destructive trusts.

Mr. BRUCE SMITH.—Economically destructive?

Mr. HENRY WILLIS.—Yes, destructive of our native industries.

Mr. BRUCE SMITH.—The honorable member is advocating the Bill.

Mr. HENRY WILLIS.—I am in favour of anti-trust legislation. I wish to prevent the operation of trusts that would destroy our industries.

Mr. BRUCE SMITH.—The honorable member means economically destroy them?

Mr. HENRY WILLIS.—Yes.

Mr. BRUCE SMITH.—Then the honorable member is a protectionist.

Mr. HENRY WILLIS.—We have to go further than the book written by the honorable member for Parkes nowadays. That work is out of date. When he wrote it trusts had not commenced to operate, and the means by which trade could be paralyzed in this way had not been brought to the pitch they have attained to-day. There is the oil trust, with £4,000,000 at the back of it, and the steel trust, with £400,000,000. These trusts operate in Australia through indent agents, and will sell their goods at prices which would destroy Australian industries, and throw men out of employment, and when they were alone in the field raise prices to the consumer. What provision is made in this Bill to prevent that taking place?

Mr. ISAACS.—Unless the competition is unfair, there is no provision in this Bill to meet it, and if it is unfair, there is any amount of provision.

Mr. HENRY WILLIS.—There is only one way in which such legislation as this can be made effective, and that is by nominating the trusts, and the articles which they produce, in the Commonwealth *Gazette*, after a comparison of the prices at which they sell their goods here and their prices in other countries. At present, any shrewd man of business could get round this Bill.

Mr. BRUCE SMITH (Parkes) [10.59].—I wish to direct attention to sub-clause 2, because as it is framed, I think it will go much further than the Attorney-General intends. I presume that he does not desire that it shall apply to every contractor, unless there has been a prosecution. I suggest that after the word "contract," the

words "adjudged to have been," be inserted, so as to make the sub-clause read—

Every contract adjudged to have been made or entered into in contravention of this section shall be absolutely illegal and void.

If the sub-clause is left as it is, it will subject every contract made in the country, concerning which there has been no prosecution at all, to the charge of being invalid, because it is in breach of clause 5.

Mr. ISAACS. — Every contract in restraint of trade.

Mr. BRUCE SMITH.—But unless it has been adjudged to be in restraint of trade, I apprehend that the Attorney-General does not wish it to be held illegal.

Mr. ISAACS.—Yes, I do.

Mr. BRUCE SMITH.—I do not think that the Attorney-General has sufficiently considered this. If it is obvious that there has been an intention within the meaning of clause 5, I take it that there will be a prosecution, and, following that, a judgment, and I could understand the Bill enacting that any contract adjudged to have been made or entered into in contravention of the section shall be absolutely illegal and void. But if the Attorney-General opens up to parties to a contract this new defence that it is void under section 5 of the Australian Industries Preservation Act, every one who has entered into a contract may be called upon to embark in litigation involving him in an expenditure of hundreds of pounds. Surely it would be sufficient to say that contracts adjudged to have been made or entered into in contravention of the Act shall be void. Sub-clause 2 now provides that every contract, including every conceivable agreement which can be entered into throughout the Commonwealth, made in contravention of this clause shall be absolutely illegal and void.

Mr. ISAACS.—The Sherman Act provides that every contract or combination in the form of a trust or otherwise, or conspiracy in restraint of trade or commerce, is hereby declared to be illegal.

Mr. BRUCE SMITH.—I think we realize that the Sherman Act has been a failure.

Mr. ISAACS.—Not on this account.

Mr. BRUCE SMITH.—The Attorney-General has no evidence that that provision has been a success, or that it has not proved objectionable to the mercantile world. Surely it is enough to say that any contract

adjudged to have been made in contravention of the section shall be void.

Mr. ISAACS (Indi—Attorney-General) [11.3].—If a foreign or Commonwealth corporation makes a contract intended to be in restraint of trade or commerce, to the detriment of the public, we say, first of all, that there may be a prosecution; but where evidence sufficient to justify a prosecution cannot be obtained, we allow one of the parties to say, "We admit that this contract was made with intent to injure the public, and we shall not be bound by it." Why should the other party under such circumstances be able to say, "You must be bound by it. Until I am prosecuted and condemned by Judge and jury I insist that you shall carry out the contract." Why should we not allow either party, if it repents, to say, "We shall not go on with the contract," instead of putting the Commonwealth to the vast expense of a prosecution? Surely if the contract is improper, and the bargain nefarious, we should give either party the right to say that they will not carry it out.

Mr. DUGALD THOMSON.—A Judge will be brought into the matter in any case.

Mr. ISAACS.—Only if the other party dares to question the right to withdraw. The shortest way of putting an end to illegal bargains is to say to the parties to them, "You are not bound by them." It seems to me that this arrangement would save a good deal of bother and expense.

Mr. BRUCE SMITH (Parkes) [11.5].—The Attorney-General assumes that one of the parties to a contract will come forward, and confess that it was entered into in contravention of the provisions of the Act. That is no answer to my contention, and, in my opinion, the assumption is unreasonable. No one would make such an admission. The provision to which I take exception opens a door by which rogues may get out of their contracts by merely saying that they are in contravention of section 5.

Mr. ISAACS.—If rogues have made such a contract they should not be compelled to adhere to its terms.

Mr. BRUCE SMITH.—The Attorney-General is providing an escape from its obligations for the roguish element in our commercial life, because, when a party to a contract does not wish to carry it out, because the market has fallen, or has risen, he can dissolve it by saying it is in contravention of section 5 of the Australian Industries Preservation Act.

Mr. JOSEPH COOK (Parramatta) [11.7].—There seems to me to be another side to the case presented by the honorable and learned member for Parkes. A contract might be made *bonâ fide* for the supply of agricultural implements, but, owing to another contract having been declared illegal and void, innocent people might suffer through not having machines supplied to them just prior to harvesting, when they were in immediate want of them. What remedy would they have?

Mr. BRUCE SMITH.—The honorable member is putting a case in which vendors may have made a contract in contravention of the Act, while the vendees were perfectly innocent.

Mr. JOSEPH COOK.—Yes. Under this arrangement great injury may be inflicted upon innocent persons.

Mr. JOHNSON (Lang) [11.9].—I wish to protest against a portion of this clause, on the grounds upon which I objected to portion of clause 4. The arguments which I adduced against the latter part of clause 4 hold good as applied to this clause, the only difference between the two provisions being that, whereas clause 4 dealt with persons and combinations within the Commonwealth, this clause deals with foreign corporations. I am in perfect accord with the first portion of clause 5, which aims at preventing foreign corporations from doing anything in restraint of trade or commerce in the Commonwealth to the detriment of the public, but I do not approve of the proposals to interfere with the importation of goods from foreign countries. The effect of the clause as it stands will be to give an absolute monopoly to local producers by shutting out all competition, and to enable them to artificially increase prices, and thus decrease the purchasing power of the people. All through this Bill, the general public receive the least consideration. The fullest regard, however, is paid to the interests of the producers and particularly to those manufacturers who carry on operations in Victoria. I have no hesitation in saying that we are legislating, by means of measures of this objectionable character, against the best interests of the people of the Commonwealth. I know that it is of no use to move an amendment, because it would meet with the same fate that befel my previous amendment. I shall, therefore, reluctantly content myself by entering the strongest possible protest against legisla-

tion of this drastic and tyrannically unfair character.

Mr. BRUCE SMITH (Parkes) [11.12].—I move—

That the words "adjudged to have been" be inserted after the word "contract," line 19.

Another reason has occurred to me since I spoke previously. This clause is intended to deal with corporations that enter into contracts in restraint of trade, and the maximum penalty is fixed at £500. No imprisonment is provided for. Therefore, it would be open for a corporation to make a contract involving thousands of pounds, and in the event of the market proving to be unfavorable to their operations, to risk the £500 fine and decline to carry out their undertaking. All they would have to do in order to escape their responsibilities would be to show that their contract was made in restraint of trade.

Mr. ISAACS.—They would have to show that the contract was made with intent to restrain trade to the detriment of the public.

Mr. BRUCE SMITH.—There is nothing to prevent a contractor from stating that he intended to act in restraint of trade. That would be a psychological question, and no one would controvert his statement. If we are not careful, we shall open the door to unprincipled traders, and enable them to escape from their responsibilities by raising another defence for breach of contract.

Mr. ISAACS (Indi—Attorney-General) [11.14].—I would only add to what I have already said, that I do not think that it would be sufficient for the defendant to say that he had the intent to restrain trade. He would have to prove that the plaintiff also had that intent. The case would be very similar to that of a lease liable to be declared null and void upon a breach of any of the conditions. The lessee in such a case could not, merely by breaking one of the conditions, escape from his responsibilities.

Amendment negatived.

Clause, as amended, agreed to.

Progress reported.

ADJOURNMENT.

EVASIVE ANSWERS BY MINISTERS.

Motion (by Mr. DEAKIN) proposed—

That the House do now adjourn.

Mr. KELLY (Wentworth) [11.17].—I wish to draw attention to the methods of

evasion that have recently been adopted by the Minister of Defence in regard to the answers given to questions asked by honorable members. If Ministers do not care to answer a straightforward question they have the right to refuse. Considerations of public policy may demand that they should refuse. I do not think, however, that any consideration of public policy could be urged as a reason why a Minister should evade his responsibility to this House to supply such information as honorable members are entitled to. The honorable member for Maranoa recently asked a series of questions of the Minister representing the Minister of Defence, and received answers which were a perfect travesty. To-day I asked four very simple questions, and I did so in the interests of the Defence Department. The answers that I received were absolute evasions. I asked in the first place whether officers seeking responsible positions in the Imperial service must have passed a certain examination. The statement made in reply was not an answer to my question. It was merely an assertion that certain officers had not passed such an examination, and that they had been appointed before the examination was instituted. I asked the question with reference to a present-day fact, and did not receive an answer.

Mr. DAVID THOMSON.—If the honorable member continues much longer the House will be counted out.

Mr. KELLY.—If I am not to be afforded an opportunity to state my grievance now I shall move the adjournment of the House to-morrow afternoon. The other questions addressed to the Minister representing the Minister of Defence by me were evaded in the same flagrant manner. My questions were asked in the public interest, and I desire to know why the Department cannot supply reasonable answers. Is it not in the public interest that honorable members should be informed whether the Defence Department is in a state of efficiency or inefficiency? If it is in a state of inefficiency, we should know it. If it is in a state of efficiency, what harm would there be in making public the fact? We have to vote the money for the maintenance of the Department, and we are entitled to information as to whether or not our officers are efficient. Ministers in evading their responsibility cannot claim to be acting in the public interest, and therefore they must be endeavouring to serve the interest of some individual. Private inter-

ests should not outweigh considerations of the public weal. I asked my questions with the honest intention of finding out whether we have in the Commonwealth officers competent to occupy certain high positions. It is a duty which I owe to my constituents and to Australia to ascertain whether there are officers so qualified, and if I cannot obtain the information it is a fit subject for comment on the floor of the House. If there are not officers so qualified, it may be all very well in "the piping times of peace," but it will become a very serious matter if ever there should be an outbreak of war. I did not raise this question until it was actually forced upon me. To-day I asked a few questions, which it was the duty of the Minister to have answered in a straightforward fashion. He saw fit to evade them. I warn him that if these attempts at evasion are continued I shall have to do something more than comment upon them on the ordinary motion for the adjournment of the House.

Mr. EWING (Richmond—Vice-President of the Executive Council) [11.21].—At this hour of the evening I do not desire to enter into any dissertation upon the large interest which the honorable member has in the country and the small interest which the Government has. There has been no attempt at evasion upon my part. The honorable member virtually asked if Colonel Bridges was the only officer in Australia who had passed a certain examination.

Mr. KELLY.—I certainly did nothing of the kind. The insinuation is about as mean as one as I have ever heard uttered in a deliberative Assembly.

Mr. EWING.—I have always treated the honorable member with infinite mercy. I have spared him over and over again when his incompetence has been a fit butt for me.

Mr. JOSEPH COOK.—The Minister is now becoming impertinent.

Mr. EWING.—Honorable members must understand that under no circumstances can they brow-beat me.

Mr. JOSEPH COOK.—Nobody has attempted to brow-beat the Minister.

Mr. EWING.—At all times I have treated honorable members both inside and outside the House with the utmost courtesy.

Mr. JOSEPH COOK.—The Minister has treated them as if they were ciphers very often.

Mr. EWING.—As the honorable member is aware, the answers which are given to questions here are handed to me by the

Minister of Defence. He is responsible for them, and I give his replies exactly as they reach me.

Mr. KELLY.—The Minister is making the matter a personal one. I do not know what all this heat is about.

Mr. EWING.—The Minister of Defence sees fit to answer questions in a certain way. If at any time the honorable member for Wentworth believes that there is any information which has not been supplied to him, and which ought to have been supplied, let him put another question upon the business-paper. If there is any question that ought to be answered, and he cares to bring the matter forward either tomorrow or the next day, I will endeavour to obtain the information for him. At the same time he should understand, in regard to these reports and military matters generally, that it is not fair to ask the Minister to divulge everything. It is not just. There are some things which ought not to be disclosed.

Mr. KELLY.—Surely the state of efficiency of the Department is not one of them.

Mr. EWING.—I will withdraw all the disagreeable things that I was saying, and I promise the honorable member that if there is anything further that he wishes to know—anything that a reasonable man might ask—I will endeavour to secure the information for him.

Mr. KELLY (Wentworth) [11.24].—By way of personal explanation, I desire to say that the name of a particular officer was mentioned just now by the Minister, in reply to my statement. To the best of my knowledge, that officer is in no way a candidate for the position of Inspector-General of the Commonwealth Forces.

Mr. SPEAKER.—The honorable member can only explain any matter upon which he has been misunderstood.

Mr. KELLY.—Anybody who cares to look at the questions which I asked to-day will fail to find in them the slightest mention of that particular officer in any connexion whatsoever. The reason why I asked the questions in regard to this particular examination was that, about a week ago, an officer—a friend of mine—who is in no way connected either with Colonel Bridges or any of the claimants for the position of Inspector-General, mentioned that in England there was an examination held for positions in the higher branches of the service, and suggested that the papers

might be sent out here, so that local officers might undergo the same examination. So much for the unworthy insinuation of the Minister that my questions were addressed to him in the interests of a particular officer.

Mr. EWING (Richmond — Vice-President of the Executive Council) [11.25].—By way of personal explanation, I should like to say that the honorable member has absolutely misunderstood me.

Mr. KELLY.—I am afraid that the House did so, too.

Mr. EWING.—Probably it did. So far as Colonel Bridges is concerned, I have as high an appreciation of him as the honorable member can have.

Mr. PAGE.—He is the best man that we have in the Forces.

Mr. EWING.—I asked the honorable member for Wentworth in the most innocent way possible whether the information which I supplied to him was not that which he desired. Colonel Bridges is the only officer in Australia who has passed the examination to which he referred.

Mr. KELLY.—There is not a reference to Colonel Bridges in the whole of my questions.

Mr. EWING.—In reply to the honorable member, and without any desire to be mean, I asked if he did not wish to know whether Colonel Bridges was the only man in Australia who had passed that examination.

Mr. KELLY.—What ground had the Minister to make such an insinuation?

Mr. EWING.—Simply this: Certain information was sought. There is only one officer in the Commonwealth who has passed the examination to which reference was made. Was not that the information which the honorable member desired, and was it not supplied to him? In conclusion, I may say that I appreciate the worth of Colonel Bridges quite as much as does the honorable member.

Mr. WILSON (Corangamite) [11.28].—The Vice-President of the Executive Council appears to have made this a personal matter between the honorable member for Wentworth and himself. The indictment of the honorable member for Wentworth was not against the Minister, but against those controlling the Department of Defence. I am sorry to say that I have been subjected to the same sort of treatment as has been meted out to the honorable member for Wentworth, so far as replies to

the questions which I asked regarding the men who have been dismissed from the Field Artillery at Warrnambool are concerned. I desire, therefore, to emphasize his protest. I asked certain questions, and I was told that certain information would be supplied to me. To-day I again put the questions, but I find that more information has been given to the daily newspapers than has been supplied to me. I say that that is not right.

Mr. WATSON.—Has it been supplied to the newspapers?

Mr. WILSON.—At any rate, it appears in the newspapers. The information which the press has published is, I believe, correct, and could only have emanated from the Department of Defence. I maintain that members of this House are entitled to the fullest information from any Department, and it should be supplied to them before it is given to any newspaper. I emphasize the remarks of the honorable member for Wentworth that the Defence Department is to blame in this matter. The Vice-President of the Executive Council must recollect that the members of this House who ask the questions which appear upon the business-paper are not the only persons who are interested in the replies which are given. They are of interest to a number of people outside. Those who are vitally interested in these matters have a right to get the information. I hold that, at all times, the House is entitled to the fullest information that can be supplied, without the Department giving away secrets to the disadvantage of the country. We only ask for the kind of information which can be given to the newspapers.

Mr. JOSEPH COOK (Parramatta) [11.31].—I hope that this discussion will lead to the clearing up of this matter. I, for one, shall be glad if it leads to a different attitude on the part of the Minister representing the Minister of Defence here. Generally, with regard to questions which are asked by honorable members on this side of the Chamber, he seems, at any time, to be more disposed to raise a laugh at their expense than to answer civil questions. I have no doubt that he would feel as we do sometimes if he were constantly made the butt of some jocular remarks when he was asking a serious question of a Minister.

Mr. WATSON.—We experienced that when we were in opposition.

Mr. JOSEPH COOK.—It may be a matter for the honorable member to laugh at, but it is no laughing matter to those who have to submit to it day after day.

Mr. WATSON.—Remember what we had to submit to from the right honorable member for East Sydney when we were in opposition. We were met with jocular remarks on every occasion.

Mr. JOSEPH COOK.—The honorable member is prepared to defend anything if it has the remotest connexion with this Ministry.

Mr. PAGE.—That is not fair.

Mr. JOSEPH COOK.—Is it not a fact? Two minutes ago he entered the chamber, and almost immediately he begins to say something in defence of the Ministry.

Mr. WATSON.—I was only reminding the honorable member of what we had to suffer.

Mr. JOSEPH COOK.—I should be obliged if the honorable member would leave Ministers, who are quite capable of speaking, to defend themselves. They are really not quite so incapable as to need his constant protection and defence. After all, this is not an important matter, but it illustrates the conduct of Ministers towards honorable members on this side. I advise the honorable member for Richmond, in all good faith, to treat honorable members on this side with the deference which is due to them, no more and no less. I take it that we are all equal here, and that the fact of sitting on one side or the other of the chamber should not make the slightest difference in these departmental matters.

Mr. EWING.—The honorable member knows that it does not.

Mr. JOSEPH COOK.—I am afraid that I cannot subscribe to that statement. If the honorable member has done it unconsciously we are prepared to acquit him of any intention, but it is a fact, nevertheless, that at any time he would rather make a joke than face a serious question with the seriousness which it deserves.

Mr. WATSON.—It is constitutional with him.

Mr. JOSEPH COOK.—It appears that sometimes it is constitutional with the honorable member not to joke, but to come to the table and beat his breast in a most defiant way. If the honorable member for Bland had arrived two minutes earlier, he would have seen revealed another side of the Minister's character, and one which I do not desire to see revealed any further.

I think that there is a very justifiable complaint being made, particularly in regard to questions affecting the Military Department. I do not think that answers to questions such as come here from day to day ought to be turned out of any Department. I submit that an honorable member suffers a gross injustice in the House when he is denied information about matters particularly concerning his own electorate, but which is given fully in the press next morning. That is a gross discourtesy to the House, collectively and individually. I hope the Minister will look into it.

Mr. PAGE (Maranoa) [11.34].—I have to complain that the answers to questions put to the representative of the Minister of Defence here are very evasive. I do not blame the Minister, because I know very well that he is not responsible for the answers. But I blame the officials of the Department. If they are allowed to badger us as they do, and the Minister takes no notice of the fact, it will be our own fault. It is the right and privilege of every private member to ask questions, and to get them answered properly, and it is not the privilege of officials to evade answering questions at every possible opportunity. With regard to Colonel Bridges, it is an open secret—I was told of it on Monday last—that he had passed the examination referred to. I told the honorable member for Wentworth about it on Monday or Tuesday.

Mr. KELLY.—Yesterday.

Mr. PAGE.—Perhaps I got the information as soon as the Minister did. At any rate, I was satisfied with what I heard, and so was the honorable member for Wentworth. I think that he only asked fair and square questions. I felt aggrieved by the answers which were given to my questions the other day, because they were evasive from first to last. If we do not stand up for our privileges, no one else will. I do not blame the Minister in this matter, because I know that sometimes the answers are only brought to him as he is entering the chamber, but I think that he ought to arouse the officials to a sense of their duty.

Mr. JOHNSON.—They want to apply militarism to members of Parliament as well as their own troops.

Mr. PAGE.—In many cases they do. I am sure that the Minister will carry out his promise to give any information which we may require.

Question resolved in the affirmative.

House adjourned at 11.36 p.m.

[36]—2

House of Representatives.

Thursday, 5 July, 1906.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

BALLARAT TRAMWAY ACCIDENT.

Mr. McCAY.—I wish to know from the Postmaster-General if he will lay on the table of the Library all papers relating to a tramway accident which occurred at Ballarat on the 23rd December last, whereby post office property was damaged, and one Mrs. Bowden injured.

Mr. AUSTIN CHAPMAN.—Yes.

PERSONAL EXPLANATION.

Mr. MAUGER (Melbourne Ports) [2.32].—I desire to make a personal explanation. When the honorable member for Lang the other night was referring to the firm of Thompson and Son, of Castlemaine, as authorities on the Tariff question and the state of the engineering trade, I interjected that it pays its employes 1s. a day less than the current rates of wages. I had obtained my information from the very best source, but I was not able to give my authority. Since then, however, I have been in communication with the secretary of the United Iron Workers' Union and Engineers, and I think the following statement made by him shows that I had ample ground for saying what I did, although the lie direct has been given to my remark:—

There are very few union men in Thompson's establishment, they only being allowed to work conditionally on their getting the union rate. Union men have been offered 9s. a day when the ruling rate was 10s., and had to refuse work. Others have been paid that amount, and had to leave. This for years past. They pay nothing extra for overtime—union firms having to pay time and a half—they pay nothing extra for night work. City firms pay 12s. for eight hours' night work, this firm getting off with 10s. or 9s. per night. They have a few union "moulders" because the "Wages Boards" compel equal payment. They have had no union boiler-makers for years, owing to the fact that they do not pay union rates.

It can be easily understood that when a firm undercuts in this way, it can obtain work where others are not able to do so.

Mr. JOHNSON.—I shall make further inquiries to test the value of those statements.

EASTERN EXTENSION TELEGRAPH COMPANY.

Mr. HUTCHISON.—Is it the intention of the Government to allow the Eastern Extension Telegraph Company to open an office in Melbourne?

Mr. AUSTIN CHAPMAN.—The matter is under consideration, and I shall, at the earliest possible moment, give the honorable member the information for which he asks.

Mr. MAHON.—Will the Postmaster-General, before coming to any agreement with the Eastern Extension Telegraph Company allowing it to open an office in Melbourne, submit his proposals for the approval of the House?

Mr. AUSTIN CHAPMAN.—There is no proposed agreement with the Eastern Extension Telegraph Company, so far as I know at present.

Mr. MAHON.—Will the honorable gentleman please answer my question?

Mr. AUSTIN CHAPMAN.—Perhaps I did not catch it correctly. Will the honorable member be good enough to put it again, or to give me notice of it?

Mr. MAHON.—As the Postmaster-General seems to have misunderstood my question, I desire to repeat it. I wish to know whether, before he comes to an agreement with the Eastern Extension Telegraph Company about the opening of an office in Melbourne, he will submit what he proposes to do for the consideration of the House?

Mr. AUSTIN CHAPMAN.—I do not propose to come to any agreement with the company, but immediately any fresh developments take place, I shall be very glad to put the matter before the House.

CONSTITUTION OF PAPUA.

Mr. JOSEPH COOK.—Twelve months ago the Prime Minister informed the House that the granting of a Constitution to Papua was a matter of the greatest possible urgency. He declared that already heavy losses had been suffered by the islanders by reason of the absence of a proper Constitution, and urged that there should not be delay in passing the Constitution Bill. That measure became law nine or ten months ago, but I understand that it has not yet been brought into operation. I therefore ask the Prime Minister why it has not been brought into operation?

Mr. DEAKIN.—The establishment of the new Papuan Constitution would have taken little time, if it had not been necessary to

carry out the will of Parliament as expressed in the Act. That required the revision of the whole of the existing laws of the Possession. They have been re-drafted by the present local Government, and revised and returned by us. We hope to give final instructions in about three weeks for the proclamation of the new Constitution. When the Constitution is proclaimed, the Ordinances of the Territory, particularly those affecting land tenure, will have been entirely altered to meet the new conditions provided for by the Act. There has been no avoidable delay, because it takes between two and three months, and at some seasons of the year over three months, to send a letter to Papua and receive a considered reply.

OVERSEA MAIL SERVICE.

Mr. DUGALD THOMSON.—I wish to know from the Postmaster-General if any deposit has been lodged to bind the contract which is said to have been arranged for an oversea mail service? If so, what amount has been lodged, and is it forfeitable on non-completion of the contract?

Mr. AUSTIN CHAPMAN.—At the earliest possible moment a statement giving that, and whatever further information on the subject is desired, will be made to the House.

Mr. DUGALD THOMSON.—Is the Postmaster-General unable, or unwilling, to answer my question? The giving of this information would not amount to a disclosure of the terms or conditions of the contract. I wish to know whether those with whom he is negotiating have been placed on the same terms as other Government tenderers, and an answer can be given to the question without any disclosures affecting the contract itself?

Mr. AUSTIN CHAPMAN.—A deposit has been made in accordance with the conditions of the tenders, but at the present time it is not considered advisable to give any definite information beyond what has already been afforded to honorable members. At the earliest possible moment a statement will be made, giving all information concerning the contract, but, at the present time, it is considered wise in the public interest not to give much of the information asked for. The tenders laid down certain conditions, which are being observed. A partial deposit has been made, and, when a statement is given to the House, I think that the honorable member

will consider it satisfactory. If he will look at the tender, he will see what is there provided for.

Mr. BRUCE SMITH.—Is the press correct in declaring that the contract for a new mail service is actually concluded, or is it still in abeyance?

Mr. AUSTIN CHAPMAN.—It is practically, but not legally, concluded.

Mr. JOSEPH COOK.—May we take it that the usual course will be followed in regard to this contract, and that it will be concluded only tentatively pending the approval of Parliament?

Mr. DEAKIN.—That is one of the conditions.

Mr. DUGALD THOMSON.—As the Postmaster-General seems strangely reluctant to name the amount of the deposit—

Mr. DEAKIN.—It is named in the tenders.

Mr. DUGALD THOMSON.—Then why is there this reluctance?

Mr. DEAKIN.—The public know it. Information of that kind is being published every day.

Mr. DUGALD THOMSON.—Then why does the Postmaster-General refuse to answer my question? In doing so he is guilty of an act of discourtesy at least. The information for which I ask is not in my possession, but if it is in the possession of the public, why should the honorable gentleman refuse to give it to me? If he will not name the amount—though I cannot understand why he should not do so—will he say what percentage of the amount of the tender is required to be deposited, and whether the condition of the tender has in that respect been complied with by the tenderers?

Mr. AUSTIN CHAPMAN.—If the honorable member will look at the terms of the tenders, with a copy of which I shall be glad to furnish him, he will see that the deposit of £2,500 is required under certain conditions, the deposit of £25,000 under other conditions, and the deposit of a second £25,000 under still further conditions.

Mr. DUGALD THOMSON.—Have any of the deposits been lodged, and, if so, which?

Mr. AUSTIN CHAPMAN.—The information will be given to the House in a general statement at the earliest possible moment.

Mr. BRUCE SMITH.—Can the Postmaster-General say whether the Peninsular

and Oriental and Orient Companies are parties to this "practically concluded" contract?

Mr. AUSTIN CHAPMAN.—I ask the honorable and learned member to possess his soul in patience a little longer. We shall be pleased to give the fullest information as soon as possible.

LIFTS, GENERAL POST OFFICE, SYDNEY.

Mr. FULLER.—Is the Postmaster-General aware that the principal lift of the Sydney General Post Office has not been working for the last four months? Will he find out who is responsible for this, and see that that lift, which is a great convenience to the public, more especially to women, who have to go to the cashier's office to make payments, is put into order as soon as possible?

Mr. AUSTIN CHAPMAN.—Directly the honorable and learned member called my attention to the matter, I wired to Sydney to ask the cause of the stoppage. I understand that there are three lifts in the building, and that those fronting Martin-place and Pitt-street are now being repaired, the George-street lift alone being at work. Immediately I am informed as to the reason for this state of affairs, I shall furnish it to the honorable and learned member. I think that all three lifts should be put in working order as quickly as possible, so that the public may have every facility for the transaction of business with the Department.

REMOVAL OF POSTMASTERS.

Mr. HENRY WILLIS. — Has the Postmaster-General seen a notice in the press to the effect that a number of postmasters who are now acting as electoral officers are to be removed from the Robertson division? Are these removals to take place immediately?

Mr. AUSTIN CHAPMAN.—I presume that the honorable member refers to the proposed removals which have been gazetted. I understand that these removals are being made to carry out the reclassification of the service, and that the matter is entirely in the hands of the Public Service Commissioner.

Mr. JOHNSON.—In view of the fact that many of the postmasters who are to be removed from their present offices are electoral officers for the divisions in which

they are now stationed, will be arranged that they shall not be transferred until after the general election, in order to prevent a great disturbance of our electoral machinery. I understand that the carrying out of the classification is a matter for the Public Service Commissioner, but that the Postmaster-General can say whether removals shall be effected at once, or be postponed for a little while.

Mr. AUSTIN CHAPMAN.—The matter to which the honorable member refers has been brought under my notice. It has already received the careful consideration of the Commissioner, to whom it has been again referred.

MILITARY TRAVELLING ALLOWANCES.

Mr. PAGE.—I desire to know whether the Minister representing the Minister of Defence can say what amount has been paid by way of travelling expenses to the Inspector-General of the Defence Forces and his staff during the year 1905-6. Further, I should like to know how much has been paid to the members of the Military Board and to the State Commandants and their staffs for travelling allowances during the same period, and also whether any other allowances have been granted to the officers indicated?

Mr. EWING.—I shall take a note of the questions asked by the honorable member, the answers to which will almost require the compilation of a return. As soon as the information can be furnished, it will be laid upon the table of the House. The work will probably take some days.

Mr. PAGE.—The Minister said that I could have the information within a few hours.

Mr. EWING.—If the Minister stated that, the honorable member will have the information in a few hours.

COMMONWEALTH OLD-AGE PENSIONS.

Mr. KING O'MALLEY asked the Prime Minister, *upon notice*—

Whether it is the intention of the Government to bring in a Bill this session establishing Commonwealth Old-age Pensions on the lines recommended by the Royal Commission?

Mr. DEAKIN.—The report of the Commission is now under consideration.

REVENUE RETURNED TO THE STATES.

Mr. TUDOR asked the Treasurer, *upon notice*—

Whether he will prepare a return showing—

- (a) The amount returned to each State for each year since the Commonwealth has been established in excess of the three-fourths provided by section 87 of the Constitution?
- (b) The amount spent on works and buildings out of revenue in each State for the same years?

Sir JOHN FORREST.—The answers to the honorable member's questions are as follow:—

(a) The information is shown on pages 70 to 78 of the Budget papers 1905-6, and it is proposed to insert a concise statement in the next Budget papers.

(b) The information is shown on pages 49 and 50 of the Budget papers 1905-6, and will be inserted in a concise form in next Budget papers.

GUNS: NORTH FREMANTLE FORT.

Mr. CARPENTER asked the Minister representing the Minister of Defence, *upon notice*—

1. Has a report been received from the Imperial Defence Committee with reference to the calibre of guns to be used on proposed fort at North Fremantle?

2. If not, is provision being made for the work to be proceeded with immediately the report is received?

Mr. EWING.—The answers to the honorable member's questions are as follow:—

1. No. It is expected within the next fortnight.

2. Plans and specifications of emplacements for 7.5 guns have been prepared, and if that type of gun is decided on, everything is ready for the work to be proceeded with. If another type of gun is decided on, new drawings and specifications will have to be prepared. The site has been acquired by the Commonwealth, and money to pay for the guns has been remitted to England.

NORTHERN TERRITORY.

Mr. POYNTON (Grey) [2.50].—*I move*—

That, in the opinion of this House, all possible steps should be immediately taken to acquire the Northern Territory from South Australia.

I am pressing this matter upon the attention of the House because I think it is decidedly unfair to the State of South Australia to permit it to remain in abeyance any longer than is necessary to enable us to arrive at a definite decision.

I think, furthermore, that it is essential for us to consider what control of the Northern Territory may mean to Australia as a whole in the future. I wish to correct any misapprehension that may exist in the minds of honorable members that the Northern Territory is a barren and profitless waste. Judging from the statements of those who have had experience of the Territory, its prospects from a mineral stand-point are exceptionally bright; it possesses fertile tracts which are second to none in Australia, and certain areas outside the tropical belt which are eminently adapted for agricultural purposes. In order that honorable members may realize the immense area of the Territory I would point out that it is twenty times as large as Tasmania, six times as large as Victoria, four and a half times as large as Great Britain, two and a half times as large as France, and that it embraces an area of 325,000,000 acres. In an article recently published in the *Australasian Traveller*, the position of the Territory is indicated in a very few words. The writer says:—

The Northern Territory may almost claim the distinction of being regarded as the problem of the Commonwealth. The very hopelessness of always ignoring it has led—paradox as it may seem—to its having been practically ignored up to date. For our statesmen of the pre-Commonwealth era it was, from any serious point of view, an impossibility. They lacked the apparatus to deal with it—perhaps, considering the magnitude of the issues involved, not altogether to their regret. Its control by South Australia has never been more than a makeshift, undertaken by the Central State in the best spirit no doubt, but, still, with “tentativeness” writ large over it from the beginning. It now confronts our Commonwealth statesmen as something that insists on adequate handling. From the defence stand-point, it is the “Achilles’ heel” of the Commonwealth, and this fact, in itself, would make it of paramount interest.

I think that the difficulties which South Australia has experienced in dealing with the Territory would disappear if it were brought under the control of the Commonwealth. The State referred to, with a population of only 360,000, has found it impracticable to embark upon enterprises which could well be undertaken by the Commonwealth with its population of 4,000,000. I find that in March last the population of the Territory was 3,791, the Europeans numbering only 1,313. Compared with the previous year, the European population showed an increase of only 308. Between 1880 and

1905 the exports of minerals from the Northern Territory represented an aggregate value of £2,186,000. Gold represented £1,922,702, silver £52,575, copper £87,753, tin ore £100,390, and the other minerals exported included wolfram and mica. The exports of pearl in 1905 were valued at £14,000, and the 21,000 cattle exported were valued at £107,877, whilst the 378 horses exported were valued at £4,364. I may mention that in the Territory to-day there are 247,000 head of cattle, 16,760 horses, and 64,000 sheep. I venture to say that no part of the Commonwealth presents greater facilities for the breeding of horses than do various parts of the Territory. Some of our protectionist friends argue that the prosperity of a community is to be measured by the extent to which the value of its exports exceeds the value of its imports. I find that the imports into the Territory last year represented a value of £86,878, whilst the exports were valued at £221,971. Thus the imports represented a value of £22 16s. per head of population, whilst the exports represented a value of £58 5s. 2d. per head.

Mr. JOHNSON.—What are the exports?

Mr. POYNTON.—Gold, silver, copper, tin, wolfram, horses, cattle, and a number of other things. Honorable members will probably be specially interested to learn that the revenue collected during 1904-5 was £73,125, whilst the expenditure was £61,675. The latter amount does not cover the whole of the outlay for the year, because interest charges have to be added to the sum. Recently Mr. Brown, the Government Geologist of South Australia, reported upon various phases of the back portion of the Territory. In his report, he deals with the auriferous, the coal-bearing, the metalliferous, and alluvial country. In the coastal region he estimates that there is, approximately, a metalliferous area—that is, an area in which gold, silver, copper, tin, and lead are to be found—of 4,336,000 acres. He further sets out that there are some 5,400 square miles, or nearly 3,500,000 acres, of coal-bearing country, in addition to a tract on the Gulf coast, which has not yet been fully defined, but which is probably of vast extent. Speaking of the interior of the Territory, Mr. Brown states that the metalliferous area embraces something like 21,000 square miles, and he estimates that the alluvial, or river flats, which

are suitable for cultivation, comprise 25 per cent. of the total tropical area, and 10 per cent. of the remainder of the Territory. In addition, he says that upon the tablelands, consisting chiefly of open downs, there are, approximately, 30,000 square miles of alluvial country. He further estimates that there are 5,000 square miles of volcanic origin. In connexion with the commercial possibilities of the Territory, I wish to quote the views of a few gentlemen who have had some experience there. Not having been there myself, I cannot speak from personal knowledge, and hence I have to fall back upon the opinions of others who have had experience of the country. Mr. J. G. Knight, a one-time Government Resident at Port Darwin, wrote—

There can be no doubt that, as the wildly luxurious indigenous grasses of the more tropical part of the country are fed down, the character of the herbage will be completely changed, and that horses, cattle, and probably sheep will thrive prodigiously. It is hardly to be feared that the climate will be found too hot for the growth of good wool, as fine fleeces are produced in Queensland in corresponding latitudes.

Mr. JOHNSON.—Is it also at a corresponding elevation?

Mr. POYNTON.—In many parts it is. Mr. Chas. Winnecke, who has had thirty-five years' experience of the Territory, says—

I have been astounded at the frequent mention of desert country. My experience is that some of the finest pastoral country in the world is found in Central Australia. Water, principally artesian, is more abundant than supposed. Gold is scattered all through this vast area, one quartz range showing gold for fully thirty-six miles. The Orabarra reef, in the Jervois and Tarlton Ranges, has never been visited by any white man but myself. Professor Tate and Experts Watt and Achimovitch (members of the Horn Expedition, of which I was commander) all stated that the best indications of diamonds exist to the west of Charlotte Waters. Coal of good quality is found in the McDonnell and more northern areas. It speaks for itself that more than a fourth of the territory is settled with stations, mines, &c. I have no hesitation in declaring that it will be the finest and most remunerative country in Australia. The extent of auriferous country is simply unknown, and a railway would increase all these resources a hundredfold.

Mr. KELLY.—How far are the McDonnell Ranges from Oodnadatta?

Mr. POYNTON.—About 400 miles, approximately. Mr. H. B. Percy, a Queensland pastoralist—probably some of the representatives of that State know him—speaking of the Territory, says—

I have seen nearly all the best coast country in Queensland, and I can safely say that I have

seen none that I like so well. I was surprised to find it so good, as, previous to my visit here, I had heard the Northern Territory so often run down that I looked upon it as a foregone conclusion that I should see inferior country; but it is nothing of the kind, and it is destined, sooner or later, to be made use of for agriculture, and to carry a large population. It seems quite a pity to leave it lying idle. In the meantime, however, if good markets can be found for cattle or beef in China, India, or Java, or somewhere in that direction, this and any good stations on the northern coast must become some of the most valuable in Australia.

Mr. Percy, I may add, was reporting on a station property in the Territory when he formed the opinion which I have just read. In a letter to the press, under the signature of "Overlander," the writer also bears testimony to the value of the Northern Territory. He says—

Our impressions of the Northern Territory are very favorable. Here we see the same things going on that happened in Queensland 30 and 40 years ago. We see the usual conquest of civilization, and the same indifference to recognise it on the part of most of our practical men. We have the same rough life, the same difficulties with the natives. The pioneers are the same—some prosper, some soon die. Some return to abuse the country in which, as a rule, through their own incapacity they have failed. There is a great future before this country; its mineral resources, I believe, are enormous. Rich deposits have been found of copper, iron, lead, also silver; and not only is there a large area suitable in the highest degree for pastoral purposes, but also land specially adapted for tropical agriculture.

I might quote much more testimony of a similar character. In this connexion I desire to refer honorable members to a report which was obtained quite recently from Dr. Holtze, who was formerly in charge of the Botanic Gardens in the Territory, and who, whilst resident there, carried on a number of experiments with a view to determining what it was possible to grow. Of course, his report deals chiefly with tropical products, but in justice to him I must say that, whilst he holds that those products will grow most luxuriantly in the Territory, he maintains that the employment of a suitable class of labour is necessary to make them profitable.

Mr. WILSON.—What class of labour?

Mr. POYNTON.—He does not mention the particular class of labour in his report; but I think that he believes in the employment of the same class of labour that is engaged in the Queensland sugar industry.

Mr. WILSON.—Is the honorable member in favour of the employment of that class of labour?

Mr. FOYNTON.—I am not. That is one of the reasons why there is a great obligation upon the part of the Commonwealth to do something with the Territory. Speaking of the cultivation of cotton, Dr. Holtze says—

This plant is doing so well in the Territory that it has escaped from cultivation, and fruits freely in a semi-wild state.

He also deals with india-rubber-producing plants, viz., *Hevea* or Para rubber, *Manihot* or Ceara rubber, and *Ficus elastica* or Assam rubber. He says:—

These india-rubber-producing plants, together with several others, have been cultivated quite successfully.

He also deals with the suitability of the lands of the Territory for the cultivation of tobacco. He then makes reference to oil-producing plants, and in this connexion writes—

This group contains cocoanuts, African oil-palm, Sesame oil, peanut oil, castor oil, lemon, and citronella oil. All these plants grow so well that not the slightest doubt remains that the Northern Territory soil and climate is quite suited for their cultivation.

He goes on to say of rice—

This plant is specially suited for the swamp plains of the Northern Territory, where rice is found truly indigenous. My observations in China and Cochin China enable me to state emphatically that with suitable labour, the Northern Territory could produce all the rice required by the Commonwealth.

Speaking of the cultivation of maize, millets, &c., he says—

Other grain-producing plants are maize, of which I have produced three crops in one year. Millets of all kinds, sorghums, pigeon-peas, soybeans, and various grains were all grown successfully.

Dealing with the production of arrowroot and sugar-cane, Dr. Holtze remarks—

Arrowroot of excellent quality was produced from the *Maranta arundinacea* and *Canna edulis*, and tapioca from *Jatropha manihot*. The growth of the sugar-cane grown in the Botanic Gardens at Port Darwin, and the density of its juice, has always been very satisfactory, and it must be regretted that through no fault of the Northern Territory sugar plantations have not been a success.

In passing, I may mention that when some years ago the attempt was made to grow sugar-cane at the experimental plantations in the Territory, the land selected was altogether unsuitable for the purpose. I think it was the present Minister of Defence who reported upon the matter, and he clearly demonstrated from his own agri-

cultural knowledge that a worse selection could not have been made. Dr. Holtze further deals with the adaptability of the land of the Territory to the production of indigo, logwood, ginger, pepper, and a variety of other articles, all of which he has tested there. If honorable members will consider the proximity of the Northern Territory to several densely populated countries they will understand that if ever an attempt is made to seize any portion of Australian territory, it is likely that it will be made in the Northern Territory as offering the greatest prospects of success. A glance at the map will show that within six or seven days' sail of Port Darwin we have Singapore; within eight days' sail Hong Kong, and within nine days' sail Japan, and a little further to the north, Manchuria, which now, of course, is in the hands of the Japanese. Then quite close to the Northern Territory, we have Java, with some 30,000,000 people. It must be recognised by every member of the House that South Australia has done her duty in connexion with the Northern Territory, in preventing its being inundated by an alien class of labour.

Mr. MAHON.—Not always.

Mr. POYNTON.—For many years past.

Mr. MAHON.—The South Australian Government introduced 200 Chinamen themselves. They were the first to introduce them.

Mr. POYNTON.—I am well aware of that, but for many years past, when, over and over again, propositions have been submitted involving the introduction of a class of people who would not be the best kind of settlers for Australia, the South Australian Governments have refused to listen to them. You, sir, will bear me out when I say that South Australia could have sold the Northern Territory for a sum vastly in excess of what it has cost her, if she had been prepared to permit those who desired to purchase the Territory to introduce any class of labour they wished. When Senator Playford was Agent-General for South Australia he received an offer from a substantial syndicate in London to take over the whole of the Territory at a price largely in excess of its cost to South Australia. But there was a stipulation that the syndicate should have the right to use any class of labour they wished, and though they might have netted millions in cash from the transaction, the South Australian Government refused to allow the Northern

Territory to be sold on such terms, because they objected to the introduction of a race of people who would be detrimental to the interests of Australia generally. In 1901, you, sir, were Premier of South Australia, and on behalf of your Government, you offered to hand the Northern Territory over to the Commonwealth. The conditions then stipulated were that in return for the Territory the Commonwealth should pay a sum equal to the total indebtedness of South Australia in respect of the Territory to date, which, at that time, represented £2,852,495. On 1st July, of last year, the present Government of South Australia, of which Mr. Price is Premier—

Mr. MAHON.—Is the honorable member skipping Mr. Jenkins? Why does he not tell us what Mr. Jenkins did?

Mr. POYNTON.—I do not know that it is necessary to do so, but I have no wish to conceal anything that Mr. Jenkins did. At the time when the matter was under consideration two members of the House of Assembly, representing the Territory, and one member of the South Australian Legislative Council, moved resolutions, which were carried, to the effect that all negotiations with the Commonwealth should be cut off. They then introduced a Bill to provide for the construction of the Transcontinental Railway on the land grant system, and up till recently, and even during last week, we have had various rumours of offers made for the construction of the line. So far as I can understand, no substantial offer has so far been made to construct it on the land grant system. But the present South Australian Government has again offered the Territory to the Commonwealth.

Mr. MAHON.—What is Mr. Jenkins's position in connexion with the construction of the line?

Mr. POYNTON. — Perhaps I am wrong, but I was under the impression that it was the Price Government that submitted the proposal.

Mr. DEAKIN.—The Price Government submitted the last proposal. I think that Mr. Jenkins' proposal was the first offer.

Mr. MAHON.—No, Sir Frederick Holder's was the first offer.

Mr. POYNTON.—An offer was made in 1901, and there is one now before the Commonwealth Government.

Mr. JOHNSON.—What is the amount asked for under the present offer?

Mr. POYNTON.—The amount asked for under the present offer is a sum to

cover all the indebtedness of the Territory, equal to £3,450,298, or an increase of £597,803, as compared with the indebtedness of the Territory in 1901. In submitting this offer the statement is made—

The increase is £597 approximately, and is on account of payments for interest on loans and in the maintenance of the Settlement, and money expended in the development of the country's resources; large expenditure being made in the endeavour to open up the mineral wealth of the Territory by exploration, examination, and the introduction of boring plants for coal and minerals—good indications of coal have already been struck—and for the opening up of water supplies with a view to stock waters being made available to the pastoralists.

I may mention that it has since been ascertained that there is no doubt about the existence of coal deposits.

Mr. HENRY WILLIS.—In what part of the Territory?

Mr. POYNTON.—Very good coal has been got not far from the McDonnell Ranges. But in the absence of a railway its distance from any port makes it of very little present use.

Mr. HENRY WILLIS.—It is a great distance from the seaboard, is it not?

Mr. POYNTON.—Yes, it is. In submitting this proposal, the South Australian Government intimate to the Commonwealth Government that—

The proprietorship of the Territory does not imply annual deficits if in the hands of a Government unhampered by restrictions, such as are imposed upon the State by Federal legislation in the shape of the bar against the importation of white labour under contract, or the admission of railway plant duty free.

Of course, under the Commonwealth Tariff, all imports, whether belonging to a State Government or to private individuals, must pay duty. The statement continues—

These and other disabilities, coupled with our sparse population, and limited funds, render it very difficult for a small State to work the Territory, rich, as you observe, "in the potentialities of wealth," at a profit.

Mr. HENRY WILLIS.—But the South Australian Government would get back nearly all the duty referred to.

Mr. DEAKIN.—Three-fourths of it.

Mr. HENRY WILLIS.—And more.

Mr. DEAKIN.—Yes, probably more.

Mr. POYNTON.—What would they get back?

Mr. DEAKIN.—Under the Braddon section at least three-fourths of the revenue derived from Customs is returned to the States, and the honorable member for Robertson is pointing out that probably

more than three-fourths of the duty referred to would be returned to South Australia.

Mr. POYNTON.—The statement I was reading proceeds—

Our reasons for asking a larger sum than was named in 1901 are the additional cost incurred since that date, and the fact that we are offering a greater area than was then offered. Moreover, we have now to construct the railway from the present terminus, Oodnadatta, to our northern border.

We are quite seized of the immense possibilities of the Northern Territory, and regard it as likely to become a valuable asset.

We feel, however, that, handicapped by the difficulties already alluded to, this comparatively small community cannot easily convert such a vast territory into the great uses we believe it capable of.

Honorable members will have noticed that in my motion I do not stipulate in any hard and fast way what we should do. My object is to try to get the House to consider the question, because it is unfair that so important a proposition should be hung up without due consideration. If it is the final decision of the Commonwealth Parliament that we do not want the Northern Territory, the sooner the Government of the State I represent are made aware of it the better for them. Only last week cable messages were sent to the Premier of South Australia in connexion with some offer. Whether or not it was of such a character as would warrant acceptance, he could not accept it in view of the fact that the Territory has been submitted to the Commonwealth, and the South Australian Government are awaiting the decision of the Commonwealth authorities.

Mr. DEAKIN.—We are awaiting the reply to our last letter. We have replied to the letter from which the honorable member has just read, and are awaiting the answer of the South Australian Government to our letter sent on 30th April last. So that at the present stage it is for the South Australian Government to respond.

Mr. POYNTON.—I should mention that the offer made only this last week, and cabled out to the South Australian Government, covered the right to employ coloured labour.

Sir LANGDON BONYTHON.—Which prevented the South Australian Government from doing anything in the matter.

Mr. POYNTON.—As I have already mentioned, under the Constitution South Australia cannot accept such an offer, because the question involved is one which is outside her jurisdiction altogether.

Mr. MAHON.—So would be the taxation of that land.

Mr. POYNTON.—To what taxation does the honorable gentleman refer?

Mr. MAHON.—If a syndicate acquired the land we could tax it.

Mr. POYNTON.—There is no doubt about that. In addition to the amount asked for last time, the following resolution was carried in the South Australian Parliament:—

That, in view of the expressed desire of the Commonwealth Government to reconsider the proposal to take over the Northern Territory, the Government should re-open negotiations with the Commonwealth Government, for the purpose of ascertaining the terms upon which they would be willing to take over that Dependency.

That in such negotiation, the Commonwealth Government should be given to understand definitely that South Australia will stipulate the following terms:—

Payment of the total amount expended by South Australia in connexion with the settlement and administration of the Territory up to the date of its transfer.

That is the amount I mentioned.

Mr. JOSEPH COOK.—How much is that?

Mr. POYNTON.—The amount is £3,450,000, which represents 2½d. per acre for the land.

Mr. MAHON.—Is all the land worth that?

Mr. POYNTON.—It is poor country if it is not worth 2½d. an acre.

Mr. JOSEPH COOK.—Have the Commonwealth Government to begin by buying land?

Mr. POYNTON.—The further stipulation was that the Commonwealth Government should agree to construct a trans-continental line from the southern boundary to the present terminus at Pine Creek—that the line of route of the proposed railway should be from the terminus at the South Australian border to the terminus of the northern section of the line at Pine Creek—while the South Australian Government undertook to construct their portion of the line from Oodnadatta to the border of the State, within twelve months of the agreement being arrived at.

Mr. HENRY WILLIS.—What distance is that?

Mr. POYNTON.—About 400 miles, I think. I do not know whether I ought to occupy any further time at the present stage, seeing that I shall have another opportunity when replying on the debate.

Mr. HENRY WILLIS.—Will the honorable member give us his opinion of the proposal?

Mr. POYNTON.—My opinion is that the Commonwealth ought to take over the Territory.

Mr. HENRY WILLIS.—On those terms?

Mr. POYNTON.—I do not think that the Commonwealth will get any other terms. The Federal Government made a great mistake in not accepting the previous offer, when the terms were very much better; and the time will come when we shall be sorry that the Commonwealth has not control of the Northern Territory.

Mr. MAHON.—Why should there be any alteration in the terms? Has the Territory improved since?

Mr. POYNTON.—The South Australian Government have expended a large amount of the taxpayers' money in the development of the Northern Territory by boring and various other kinds of work.

Mr. MAHON.—How much have the South Australian Government spent since the Commonwealth was established?

Mr. POYNTON.—A sum of £500,000 odd.

Mr. MAHON.—That is on the general administration.

Mr. POYNTON.—The general administration of the Northern Territory, I may mention, is paying its way.

Mr. HENRY WILLIS.—Is there not a loss of £100,000 a year?

Mr. POYNTON.—I mean that the general administration is paying its way, having regard to the receipts and expenditure during the year. There is, of course, a loss to the extent of the interest, but that does not represent anything like the amount mentioned. I am strongly of opinion that, if for no other purpose than that of defence, and the protection of Australia, the Northern Territory should be under Commonwealth jurisdiction and control.

Mr. HENRY WILLIS.—It is now.

Mr. POYNTON.—It is nothing of the kind.

Mr. HENRY WILLIS.—Yes, it is.

Mr. POYNTON.—I must say that it is not very encouraging to hear some of the interjections of honorable members. If South Australia had done what Queensland did, and imported coloured labour, the Commonwealth would have had to pay, as in the case of the northern State. The South Australian Government, however, have refused to dispose of the Territory to any

syndicate under conditions which might prove inimical to the general interest; and the Commonwealth Parliament, if honorable members still adhere to the vote already given, may be taken to strongly approve of a White Australia. But for the action of the South Australian Government, the Northern Territory would have been occupied and utilized to a very large extent, and then the Commonwealth, as in the case of Queensland, would have had to pay an enormous premium in order to get rid of coloured labour.

Mr. WILKINSON.—There are more Chinamen in South Australia than in any other part of the Commonwealth.

Mr. POYNTON.—There may be more Chinamen, but there are no kanakas. It is not on account of Chinamen that the Commonwealth is paying in Queensland. No Federal legislation has been found necessary as a result of the introduction of Chinamen, but solely as the result of the importation of cheap kanaka labour, which was deemed necessary in Queensland for the development of the sugar industry. And because Queensland ignored the other States, and did not take into account the evil effects which might be felt later on, the Commonwealth Parliament, in its wisdom or otherwise, has since passed legislation, for which every taxpayer in the Commonwealth is paying to-day. I trust there will be no quibbling over a few pounds, but that the motion will be dealt with on its merits, and a decision come to as quickly as possible. What I desire is something like promptitude. I was unaware that a reply had not been received to the letter spoken of by the Prime Minister, but I promise that he shall have a reply very promptly. I trust that the House will come to a decision at once, because it is unfair to South Australia that this matter should remain hung up as at present. I hope that the motion will be discussed earnestly, and, at a later stage, I shall have an opportunity to deal with the criticisms of honorable members.

Mr. MAHON (Coolgardie) [3.38].—The honorable member for Grev is to be complimented on the manner in which he has presented the motion to the House. The honorable member, who represents this great Northern Territory of South Australia, has evidently taken great pains to make himself master of the subject, and I think we may all congratulate him on having placed its affairs and stated his case in a very

able and comprehensive way. The honorable member is deserving of the more credit for his action because, if the motion succeeds, he will find himself minus a constituency. That is to say, if the Northern Territory becomes a dependency of the Commonwealth, the honorable member for Grey will have to look elsewhere for a seat; and the submission of this motion shows, therefore, a very fine spirit of self-sacrifice on his part.

Sir LANGDON BONYTHON.—The Northern Territory is only a part of the electorate of Grey.

Mr. MAHON.—I take it that in the event of the Northern Territory being made a dependency of the Commonwealth, the remainder of the electorate of Grey would be merged with, perhaps, the electorate of Barker; at any rate, I think there would have to be a new division of South Australian seats. However, I rose chiefly to direct attention to the fact that on the 19th October, 1902, Mr. V. L. Solomon, who was one of the representatives of South Australia, submitted a motion to the effect that it was expedient that the Government should take over the Northern Territory. An amendment was moved, and the motion was passed in the following form:—

That in the opinion of this House it is advisable that the complete control and jurisdiction over the Northern Territory of South Australia be acquired by the Commonwealth upon just terms.

The motion now before us declares that, in the opinion of this House, all possible steps should be immediately taken to acquire the Northern Territory. To my thinking, the terms of the motion are rather peremptory; at any rate, that is the first impression one receives from a proposition couched in such terms. The honorable member for Grey must be aware that the Commonwealth Government, for the last four or five years, has been actively negotiating with the South Australian Government for the acquisition of this territory. He must also be aware that the chief difficulty has been raised, not by the Federal Government or Parliament, or by the other States of the Commonwealth, but largely by the Parliament of South Australia; or, perhaps, to be more accurate, by a section of the wealthy classes in Adelaide. On the 18th April, 1901, when you, Mr. Speaker were Premier of South Australia, you submitted to the Prime Minister of the day the advisability of the Commonwealth taking over the northern

portion of Australia known as the Northern Territory, and you then described the position of affairs there, and gave information bearing on the export of the staple products, and so forth. The communication which you, sir, then sent to the Prime Minister, concluded as follows:—

I have now to intimate that the Government of South Australia is prepared to take the necessary steps to offer to the Federal Government the territory known as the Northern Territory, including the railway and all other assets, on the Federal Government also assuming the liabilities of the Territory.

That was a business-like proposition, and one entitled to fair consideration by the Federal authorities. Later, on the 16th July of the same year, your successor in the Premiership of South Australia intimated his willingness to continue the negotiations on the terms which you had offered. These negotiations continued for some time; but suddenly the attitude of South Australia changed; and the offer of 18th April, if not positively withdrawn, was suspended.

Sir LANGDON BONYTHON.—That was the result of action taken by the Parliament rather than by the Government of South Australia.

Mr. MAHON.—That may be; but, so far as the Federal authorities were concerned, the result was practically the same. At any rate, Sir Edmund Barton, towards the close of that year—in November—desired to learn from the South Australian Government—

whether the offer of the Territory to the Commonwealth could now be considered to have been abandoned or whether it remained open, but invested with new conditions. If the latter alternative were the case, to what extent did the South Australian Government desire or understand the conditions to be altered?

These were proper questions to put, and it seems to me that any person who wished to deal in a straightforward way with this question could easily have answered them. Sir Edmund Barton simply wished to know whether the South Australian Government had withdrawn its offer of the Territory, or whether it desired to submit the Territory with new conditions. I may state that I am quoting from a *précis*, for the use of which I am indebted to the Prime Minister. Instead of answering those questions straightforwardly, I find that the then Premier of South Australia, Mr. Jenkins—well, I do not like to say that he shuffled, but I cannot remember any English word that so well expresses my meaning. He

shuffled over his predecessor's promise to introduce a Bill authorizing the construction of a transcontinental railway to Western Australia in the same manner. In this instance, instead of answering Sir Edmund Barton's questions by a plain "yes" or "no," he replied that—

this Government had decided that the acceptance or rejection of tenders for the construction of the transcontinental railway—

that is, the railway from Oodnadatta to Pine Creek, not the railway from Port Augusta to Kalgoorlie—

was a matter of such vital importance to his State that they did not feel justified in committing the decision thereon to the Federal Parliament, which might possibly be hostile to the scheme. Until, therefore, the time allowed by the Act for the receipt of tenders for the construction of the railway had expired, the Prime Minister might consider that negotiations concerning the transfer of the Northern Territory were suspended.

Sir LANGDON BONYTHON. — That reply cannot be considered to be a shuffle. The South Australian Government could not do otherwise than give that answer under the circumstances.

Mr. MAHON.—The reply certainly lacks candour. What had the Federal Parliament or the Commonwealth to do with the acceptance or rejection of tenders for the Pine Creek railway? That matter was put forward as a blind, to enable Mr. Jenkins to gain time for some ulterior purpose.

Sir LANGDON BONYTHON. — The South Australian Parliament had passed an Act for the construction of a railway on the land grant system.

Mr. MAHON.—In the hope that some syndicate would take up the Territory, which was to be free for all time from taxation.

Sir LANGDON BONYTHON.—I do not wish to defend the South Australian Government in that matter, but they could not have given any other answer than the one which the honorable member has quoted.

Mr. MAHON.—At any rate, there was a withdrawal of the offer. The main point, after all, is not to be found in these side issues. It is that there was a withdrawal by the South Australian Government of their offer, made on the 18th April, 1901, to the Commonwealth Government to take over the Northern Territory on the Commonwealth assuming its liabilities.

Sir LANGDON BONYTHON.—That is unquestionably so.

Mr. MAHON.—Undoubtedly. That brings me to the question which was discussed at some length in this House in 1901, and on the 10th September, 1902, when the matter came up again for consideration. We then found that the mover of the motion, Mr. V. L. Solomon, was not prepared to go on with it, because the South Australian view had changed in the meantime. The offer of the Territory was withdrawn, and something more was attempted to be extracted from the Commonwealth. So clearly was that the case, that on the 10th December the Prime Minister, Sir Edmund Barton, wrote the following minute:—

It seems clear that Mr. Jenkins' desire is to keep the Northern Territory, for the present, on the chance of its being turned into a profitable asset by the construction of the land grant railway. If this plan fails—

and that is exactly what happened; the little plan failed; for after hawking the project all over the world no one could be found to take it up—

we may expect the renewal of the proposal to the Commonwealth to take over and saddle all the States with the losses on a territory which, in such an event, will have been shown to be a losing concern.

There is a number of statistical details which follow on the file. While complimenting the honorable member for Grey on the way in which he presented the subject to the House, I wish to take exception to one of two or his statements. For instance, he has taken great credit for the fact that South Australia has preserved the Northern Territory for the white race, and has kept out Asiatic and black labour. But that statement is historically inaccurate, because the first introduction of Asiatic labour into South Australia occurred, not through the efforts of any private individual, but as the actual and direct result of a proposal of the Government of the day, which introduced 200 Chinamen shortly after the mines were discovered, about 1863 or 1864.

Sir LANGDON BONYTHON.—That was before there was any definite public opinion on the subject in Australia.

Mr. MAHON.—Oh! I undertake to say that there was always a definite public opinion in Australia against the introduction of Chinamen to work on the mining fields.

Sir LANGDON BONYTHON.—Not at that time.

Mr. MAHON.—Does the honorable member say that no antipathy to the introduction of Chinamen was manifested at Lambing Flat and other places before that period?

Sir LANGDON BONYTHON.—Not so far as the northern portion of Australia was concerned.

Mr. MAHON.—What is the difference? What does it matter whether the mining fields in question were in the northern portion of Australia or elsewhere? There has always been a strong feeling in this country that our gold-fields should be reserved for exploitation by white men, and not by Chinamen. It was in connexion with the working of the mines that the South Australian Government introduced these 200 Chinamen. Then, again, when building the line from Pine Creek to Port Darwin, in order to save £80,000 on the construction of the railway, the South Australian Government actually allowed Millar Brothers to bring in Asiatics under the seductive phrase of "optional labour"; and under that guise thousands of Chinamen were introduced, though it is true that the country did not offer them much encouragement to remain; and that, happily, they cleared out.

Mr. WILKINSON.—To Queensland.

Mr. MAHON.—Possibly; I do not know where they went. On a subsequent occasion the South Australian Parliament actually passed a Bill to encourage the immigration of Indian labourers to work agricultural areas in the Northern Territory.

Mr. HUTCHISON.—They were to be brought out under the express condition that they were to be sent back again.

Mr. TUDOR.—That is how the kanakas came to Queensland.

Mr. HUTCHISON.—There was no Labour Party in South Australia then.

Mr. MAHON.—I recall these facts to show that the claim of the honorable member for Grey, that South Australia has kept the Northern Territory for the white race, is not historically accurate.

Mr. POYNTON.—It is a fact nevertheless that South Australia has refused good offers because she would not permit any kind of labour to be employed.

Mr. MAHON.—I have often heard of these good offers, but when one analyzes them, it is generally found that they come from some enterprising but impecunious person who wants a concession to hawk round to the brokers in London, so that he may make some commission out of it.

Mr. HUTCHISON.—All the same, South Australia has kept coloured labour out of the Territory for many years.

Mr. MAHON.—I am free to admit that. I think it is only right that South Australia should receive credit for the fact that for many years she has done her best to keep out Asiatic labour. Nevertheless, it is scarcely fair, even on the terms which were originally offered, to ask the Commonwealth to take over the responsibilities of the Northern Territory, because in the early days there were examples of very bad financing there. For instance, I find, on reference to a speech made by Mr. V. L. Solomon, that in the land legislation and in land financing of the Territory in the early days a system prevailed whereby 160 acres could be obtained for 7s. 6d. per acre, and under that system no less than 400,000 acres of land were disposed of. The total receipts from those land sales, I believe, amounted to £104,000, and the cost of maintenance and survey in connexion with the system between 1864 and 1873 was £225,000. These figures show a net loss in cash to the State of South Australia of £121,000 in addition to the alienation of 400,000 acres of the best land of the Territory, including town sites. I do not see why at this time of day the Commonwealth should step in and pay for the blunders of South Australia, or for the blunders of any other State. I am unable to see why the Commonwealth should be called upon to take over a liability of that kind. I find also that the purchasers of some of these town blocks demanded an annual rental of from £70 to £100 per annum, having paid for the fee-simple only a little over 3s. per half-acre. So that the whole arrangement has been rather a bar to settlement than otherwise. So far from having tended to facilitate settlement, as we have been led to believe, the policy of South Australia operated absolutely in the opposite direction. I do not see why we should assume the responsibility for mistakes of that kind. I do not deny that, potentially, the Northern Territory is a very rich country, that it contains great mineral resources and large possibilities of pastoral and agricultural development. Nor do I fail to recognise the necessity from a national stand-point of the Territory being under the absolute control of the national Parliament. But what I do say is that we ought not to be asked to take over the Territory, except as it stood on the 1st of

January, 1901, when the Commonwealth came into existence. I maintain that we have no right to go back and take over all the liabilities of the Territory, covering a period when it was palpably mismanaged.

Mr. HUTCHISON.—The Commonwealth would get assets along with the Territory.

Mr. MAHON.—That may be; but these great assets have yet to be proved and developed. In any case, if South Australia is unable to make a profit out of them, it is very doubtful whether the Commonwealth would be able to do so.

Mr. HUTCHISON.—South Australia has only a handful of people in a very large province, apart from the Northern Territory.

Mr. MAHON.—That may be so; but the Northern Territory has to be developed by private enterprise, much as we dislike it; and private individuals would be just as ready to take up land owned by a State Government as land owned by the Commonwealth Government. We are not contemplating establishing a co-operative settlement in the Northern Territory. We cannot do it just yet. We cannot work the Territory by day labour, however much we might like to do so. Therefore, we must rely on its being developed by private individuals or companies. I come back again to the point from which I started—that, in my opinion, we have no right to go back so far into the past as we are asked to do, but that we should be on a perfectly sound footing if we decided to take over the liabilities of the administration of the Territory as from the inception of Federation to date. Therefore, I desire to move, as an amendment to the honorable member's motion:—

That all the words after "House" be left out, with a view to insert in lieu thereof the words: "The Government should negotiate with the Government of South Australia for the acquisition of the Northern Territory on terms just to the Commonwealth."

This language is substantially identical with the resolution passed by this House in 1902. I propose, further, that the following words should be added—

Mr. SPEAKER.—The honorable member will recollect that he seconded the motion of the honorable member for Grey, and it is not competent for an honorable member who has seconded a motion to move an amendment upon it.

Mr. DEAKIN.—I think that the honorable member for Barker seconded the motion.

Sir LANGDON BONYTHON.—Yes.

Mr. SPEAKER.—Perhaps it will meet the desire of the honorable member for Coolgardie if I accept the seconding of the honorable member for Barker. This will enable him to move his amendment.

Mr. MAHON.—Thank you, Mr. Speaker. If I rose to second the motion, I intended to do so only formally, to enable it to be discussed. I move—

That all the words after the word "House" be left out, with a view to insert in lieu thereof the words, "The Government should negotiate with the Government of South Australia for the acquisition of the Northern Territory on terms just to the Commonwealth. That the Commonwealth should not assume responsibilities for any sum beyond the actual loss sustained by South Australia in administering the affairs of the Territory since the inception of Federation on 1st January, 1901."

Mr. KELLY.—Is this to block the northern railway proposal?

Mr. MAHON.—I have said nothing about the northern railway proposal. A railway from Pine Creek to Oodnadatta could not now be used as a mail route to any considerable degree; and, in the present state of our knowledge, should be treated as a proposal for the development of South Australian territory only. I do not think that the Federal Government should make or accept any condition in reference to the construction of that line. It may be fairly claimed, however, that the proposal does not stand on the same footing as that to construct a railway from Kalgoorlie to Port Augusta, inasmuch as in the Northern Territory there are about 4,600 persons only, the total population in 1901 being 4,320, of whom 620 were Europeans, 2,180 Chinese, and 520 Malays, Japanese, and people of other races; whereas, on the Western Australian gold-fields, there are 50,000 white people earning good wages.

Mr. KELLY.—Would not a railway through South Australia cross better country than would be crossed by a railway from Kalgoorlie to Port Augusta?

Mr. MAHON.—Neither the honorable member nor myself knows much about the country between Pine Creek and Oodnadatta, and therefore a discussion of the subject would be fruitless at present, though probably the land along both routes is capable of much more profitable development than most persons now imagine. I submit the amendment in the hope that it will receive the consideration of honorable members, and will give the Govern-

ment a basis for negotiation with the South Australian Government for the acquisition of this territory.

Mr. JOHNSON (Lang) [4.5].—We are all much indebted to the honorable member for Grey for the information which he has given concerning the Northern Territory, and for the able manner in which, from his point of view, he has put the case for its acquisition. Most of us have little knowledge of the character and potentialities of this part of the Commonwealth, and must rely mainly upon reports and other information supplied by persons who are more familiar with the country. We can, nevertheless, discuss this proposal on general business principles. One of our first considerations should be whether it would be profitable for the Commonwealth to take over the Northern Territory. I should like the Commonwealth to acquire territory wherever in Australia it can do so under favorable circumstances, and develop valuable possessions; but, as the custodians of the people's money, we must pay regard to the financial responsibilities connected with any proposed acquisition, and satisfy ourselves that there are reasonable prospects that the returns from it will justify the necessary expenditure. Unfortunately, the information available to us in regard to the Northern Territory is yet hardly sufficient to allow us to fairly determine whether it should, or should not, be acquired by the Commonwealth. According to the figures supplied by the honorable member for Grey, its indebtedness in 1901 was £2,852,495, which has been increased since by about £597,000; so that it is now about £3,450,000. Our first consideration then must be whether, in view of the many failures of attempts to establish various branches of production there, the Commonwealth is justified in undertaking a liability of that amount in order to acquire the Northern Territory, with, I understand, some new liabilities added to the conditions of taking it over.

Sir LANGDON BONYTHON.—Does the honorable member realize that the Commonwealth will acquire, not only the Northern Territory, but the railway which has been constructed there? The value of that line is some set-off against the debt to which he refers.

Mr. JOHNSON.—Even with the railway thrown in, we may make a bad bargain by taking over the Northern Territory.

It does not necessarily follow, because a certain amount has been expended upon the railway, that it is an asset whose value is equal to that amount.

Sir LANGDON BONYTHON.—Is not the Northern Territory part of Australia, and must not the Commonwealth, therefore, be eventually responsible for its liabilities?

Mr. JOHNSON.—At the present time the Northern Territory is part of South Australia, and, while the Commonwealth is, within certain prescribed limits, responsible for the administration of the affairs of the whole of Australia, it has no control over some matters which are exclusively within the powers of the Governments of the States.

Sir LANGDON BONYTHON.—The debts of the States constitute the debt of the Commonwealth.

Mr. JOHNSON.—The Commonwealth has not yet taken over the debts of the States.

Sir LANGDON BONYTHON.—It must do so eventually.

Mr. JOHNSON.—No doubt this matter will be considered when we come to deal with proposals for taking over the debts of South Australia. I have admitted that the Commonwealth is, within certain limits, responsible for the administration of the affairs of the whole of Australia. It is, for instance, responsible for naval and military defence, and the Northern Territory, because of its proximity to the naval stations of Powers which, in the future, may possibly be hostile to us, it may be more liable to invasion than other parts of the Commonwealth. I have no feeling of hostility towards the motion, but I cannot vote for it until much more information has been afforded to show the advisability of the proposed acquisition. I do not know of any urgent reason why steps to this end should be taken "immediately." At all events, I am not inclined to precipitate action. In my opinion, nothing should be done until we have a fuller knowledge of the circumstances than is now available to us. At the same time, it is doubtful whether an invasion of the Territory would seriously affect any of the other portions of Australia. Of course, there is a very long line of seaboard to be protected, and it is as well to bear that fact in mind when considering the question from the standpoint of Australian defence. There are so many difficulties surrounding the whole question, that it is impossible for

those who are unacquainted with the general character of the country and its capabilities of development to decide what is best to be done. We have been informed by the honorable member for Grey that the Territory contains large areas of auriferous country, and that there is every prospect of valuable mineral developments. After all, however, the reports which have been made under this head have very largely been founded upon mere opinion and conjecture, and it would be well for us to wait until further information is available.

Sir LANGDON BONYTHON.—Does the honorable member think it fair that the hands of South Australia should be tied, and that the Commonwealth should still refuse to take over the Territory?

Mr. JOHNSON.—I do not suggest that the hands of the South Australian Government should be tied.

Sir LANGDON BONYTHON.—But they are tied. There would be no difficulty in securing the extension of the transcontinental railway upon the land-grant system, provided that the South Australian Government could agree to the introduction of coloured labour. The Government cannot, however, do anything of that kind, and I ask whether, under the circumstances, it is fair for the Commonwealth Government to refuse to take over the Territory?

Mr. JOHNSON.—The same difficulty would occur in any other State that desired to extend its railway system under similar conditions. Therefore, I do not regard that as a very serious argument in favour of the Commonwealth immediately taking over the Territory. The honorable member for Grey told us that in the Territory were to be found large areas of good grazing country suitable for cattle, horse, and sheep breeding, and that there were in the Territory 247,000 cattle, 16,760 horses, and 64,000 sheep. These figures are not very large when we consider that they relate to a territory which is two and a-half times as large as France, four and a-half times as large as Great Britain, six times as large as Victoria, and twenty times as large as Tasmania.

Mr. POYNTON.—It must be remembered that there is no outlet for stock in the Territory.

Mr. JOHNSON.—Of course, I know that allowance must be made for that as also for the lack of any considerable European settlement.

Sir LANGDON BONYTHON.—Do not the honorable member's remarks suggest that the Commonwealth should take steps to develop the Northern Territory—steps which the South Australian Government cannot take?

Mr. JOHNSON.—Certainly, if they take over the Territory. I think that possibly the development of the Territory might be promoted by introducing immigrants of the right stamp. I understand, however, that a certain section of honorable members are strongly opposed to the immigration of even Europeans who could find profitable employment in rural occupations. We may, therefore, find ourselves confronted with an obstacle in that direction.

Mr. STORRER.—Who entertains the objection referred to?

Mr. JOHNSON.—Several members of the Labour Party have expressed themselves to that effect at various times. However, I think that the general feeling prevalent among honorable members is that we should preserve Australia as far as possible for the white races. The report which was recently made by Sir George Le Hunte, the Governor of South Australia, and ordered by the Senate to be printed, on 13th September, last year, seems to indicate that the development of the Northern Territory cannot be carried out by means of white labour. Sir George Le Hunte says—

The evidence of nearly all who have studied the subject on the spot is unanimous that tropical products cannot be grown to pay in any large quantity in the Northern Territory without the introduction of cheap labour suitable for the climate and suitable for the industry for which they would be required; in other words, that coloured imported labour is a necessity.

Sir LANGDON BONYTHON.—If South Australia were inclined to adopt that policy, she would be powerless to carry her wishes into effect.

Mr. DEAKIN.—The Commonwealth would also be powerless, unless its laws were altered.

Sir LANGDON BONYTHON.—That is no reason why the responsibility of the Northern Territory should not pass to the Commonwealth.

Mr. JOHNSON.—Still, we must consider that difficulty when we are dealing with this question. If it be true that the Territory cannot be developed except by the introduction of coloured labour, and our laws preclude us from taking steps in that

direction, we might find a very expensive white elephant thrown on our hands. Of course, His Excellency the Governor of South Australia may be wrong.

Sir LANGDON BONYTHON.—There are many good opinions on the other side.

Mr. JOHNSON.—I have not had an opportunity of reading them. The report from which I have quoted is a comparatively recent one, and I have not seen any others of a more recent date, nor do I know of the existence of any. I notice that the cold, clammy digits of the land monopolist have already been spread over the map of the Northern Territory, with a view to getting ahead of settlement and production, and of reaping the results of the labours of others. In paragraph 66 of Sir George Le Hunte's report he says—

The success of the pastoral industry in the Northern Territory is undoubtedly assured, and will be capable of indefinite extension. As I have shown we only saw the beginning of the good country, in the driest year they have had for many years, and the cattle we saw were well bred, in splendid condition, and fast increasing. I regret very much that the time would not permit of another trip to the Roper River, on the east, and from there overland to the Katherine, especially as this part of the country is being brought into notice by the Roper River Concession Syndicate (Melbourne) who are offering lands for settlement by Scotch families on the Roper, and intend to assist them by making a railway line for transport to the places of shipment on the river. This would have taken us across the tableland, which is part of the best stock country. Should I ever be given another opportunity I should like to do this. We did not get far enough south to see the sheep country, which, I hear, is excellent. There should be a great future for the cattle and horse-breeding industry if proper facilities are given for reaching the internal and foreign markets. What is wanted, also, are not only large runs in the hands of capitalists, but smaller ones occupied by resident families.

If the Commonwealth take over the Territory, I hope that measures will be adopted to safeguard the interests of the smaller settlers, and to prevent the land from falling into the hands of mere speculators, who will operate to the disadvantage of the real pioneers, who are the active agents in the development of the country. Even this remote portion of Australia has not escaped the attention of speculative land-grabbers; although I am glad to say that up to the present the enterprises of such persons do not appear to have been very successful. The honorable member for Grey referred to certain tropical productions grown in India, which, he said, could be cultivated with very great advan-

tage in the Territory. He mentioned cotton, jute, hemp, fibre, kapok, and rubber. I am not in a position to say anything authoritatively as to the capabilities of the country, but I am informed that experiments in the growing of rubber have not been particularly successful. Where the rubber has been grown under artificial conditions, it seems to have thriven all right, but under natural conditions, and subject to ordinary climatic influences, its cultivation has proved a rank failure. Therefore, it would appear that we cannot reckon upon rubber as one of the articles that could be produced with good commercial results in the Territory.

Mr. POYNTON.—A Mr. McPhie, who was interviewed in Adelaide only last week, intends to start an industry in the Northern Territory, and considers that he will be able to work it with white labour.

Mr. JOHNSON.—It is to be hoped that he will succeed. In paragraph 67 of Sir George Le Hunte's report upon the agricultural industry of the Territory I find the following:—

This is a much more difficult problem to solve. The pastoral question has solved itself into a mere matter of good stock, numbers, and markets; the labour question has not to be considered. But it is very difficult in the agricultural problem. In this, two factors are of primary importance—the suitability of the soil for the cultivation of products of commercial value, and the production of these at a cost which will enable them to be placed on the markets of the world on a level footing with those of other countries.

These are two very important considerations. The report continues—

With regard to the first, it is constantly said that the Northern Territory "can produce anything." I do not know a more dangerous advertisement, unless the greatest care is exercised in finding out which particular product is suited to each particular place.

There seems to be good sound reason underlying that contention. At any rate, the present Governor of South Australia has visited and toured the Territory, and has thus been in a position to make local inquiries. Consequently, any opinions which he may offer upon such points as those to which I have referred, are entitled to consideration and respect at the hands of honorable members.

Sir LANGDON BONYTHON.—Sir George Le Hunte has had great tropical experience. He lived for many years in the tropics, and, therefore, speaks as an expert.

Mr. JOHNSON.—Exactly; and that affords additional reason for giving due

weight to his opinions. That gentleman goes on to say—

The establishment of a sugar factory at De Lissaville, on Douglas Peninsula, to the north-west of Port Darwin, some years ago, was a disastrous failure, as, after its erection, it was found that the land there was unsuited to sugar cultivation. Again, things that thrived wonderfully well in nurseries may often turn out a failure when cultivated on a larger scale.

That is said to have been the case in regard to the production of indiarubber, to which I have already referred. Sir George Le Hunte continues—

Nothing but the most careful examination by experts in each particular industry, and a favorable report of the result, will justify any one in inducing others to take up land for tropical cultivation. There is, no doubt, a great deal of land that can be cultivated in cotton, rice, sugar, rubber, &c.; but each must be carefully examined, and the fitness of each for its proper product determined by practical experiment. Otherwise disappointment, failure, and an undeserved bad name for the country will be the result. It cannot afford any more failures in this direction.

As I have previously urged, statements of this character coming from such a source should certainly carry very great weight with honorable members. I have also heard it rumoured that amongst men, and amongst cattle, there is a very peculiar and distressing disease prevalent throughout that country—a disease which nobody seems to be able to account for. I do not know whether this fact has come to the knowledge of other honorable members, but I presume that it has. The matter is one into the details of which I cannot enter on the floor of this Chamber, but certainly, if the disease exists to the extent that has been represented, it may constitute a very serious bar to anything like successful white settlement in the Territory. At any rate, it is a matter upon which we should have some reliable information before finally dealing with this question.

Mr. LIDDELL.—What is the disease?

Mr. JOHNSON.—I cannot tell the honorable member the name of it, but I can privately explain its character. In paragraph 73 of his report Sir George Le Hunte, after dealing with racial considerations, and the objections which are entertained by Australians to the admission of coloured aliens into the Commonwealth, says—

I am not advocating here the alteration or modification of any existing law; that is not my province; but I have endeavoured to show how, should the time ever come when an alteration

or modification may be considered, there need be no real fears of the results which, at the present time, are so commonly expressed.

The foregoing remarks have reference to the importation of coloured labour for the development of the Territory. Sir George Le Hunte adds—

I share, however, the opinion that tropical agriculture in the Northern Territory cannot be developed with white labour. It is for the people of Australia to decide whether it shall ever be given a fair chance. Under whatever restrictions it may be found advisable to adopt as to a limit of the geographical field of employment, the definite nature of the employment and the exclusion from others, the duration of the residence and the absolute condition of return at the expiration of the contract, with all these, I believe that, by the employment of coloured labour under indenture upon the lines of the organized systems in other tropical British possessions, Australia would find an immense source of agricultural wealth in its tropical north which, without it, will never be developed.

If that be really so, we shall be taking a very serious responsibility upon our shoulders if we accept the control of the Northern Territory. Of course, it may be that Sir George Le Hunte is wrong in his conclusions, and that it is possible to develop that country by means of white labour. But if that cannot be done, by accepting control of the Territory we are likely to saddle the Commonwealth with the expense of administering a vast area from which it is, in the light of what little knowledge is at present at our command, very doubtful whether we shall obtain anything like a satisfactory financial return.

Sir LANGDON BONYTHON.—But should not the Commonwealth accept the responsibility of administering the Northern Territory, seeing that it determines the conditions to be observed in that territory?

Mr. JOHNSON.—Not necessarily. The same argument would apply with equal force to any other portion of the continent which was subject to the same conditions. I do not see that the Commonwealth is under any obligation to accept the control of the Northern Territory merely because certain conditions as to alien labour have been made to apply to it in common with the whole of Australia.

Sir LANGDON BONYTHON.—What other portion of Australia is being offered to the Commonwealth for similar reasons?

Mr. JOHNSON.—The advisability or otherwise of the Commonwealth assuming control of the Northern Territory depends, first, upon the financial consideration—which is the main consideration; secondly,

upon the question of defence, and, thirdly, upon the question of whether it is possible to populate the Territory with our own people with a view to develop its resources upon the best possible lines, thus insuring a return to the Commonwealth upon the investment itself, whilst assisting in the development of Australia as a whole. These are the views which I hold upon the matter. So far as the question of taking over the Territory *per se* is concerned, I have an open mind. I am dealing with this proposal not in any hostile spirit, but rather in a spirit of inquiry. I should like to be placed in possession of more definite and accurate data than is at present available to honorable members, and I have no doubt that, before the Government take practical steps to acquire the Territory, every possible source of information will be tapped, with a view to obtaining the fullest and most reliable information upon all points upon which it is necessary that they should have knowledge.

Mr. DEAKIN (Ballarat—Minister of External Affairs) [4.42].—The submission of this motion is a very proper proceeding on the part of the honorable member who has introduced it to-day, and it is but natural that it should receive the cordial support of the honorable member for Barker, who, during the present session, has already addressed himself to the question upon the motion for the adoption of the Address-in-Reply. In looking up the first discussion in 1901-2, I was not surprised to find the names of the honorable member for Grey and the honorable member for Barker bracketed together, or to observe that upon that occasion both displayed the same knowledge of the subject, and the same interest in pressing it upon the attention of the House, that they have exhibited to-day. If I may be permitted to digress by referring to an interjection on the part of the honorable member for Coolgardie, I notice that he also spoke during the first discussion; and, although the honorable member for Wentworth had not at that time the inestimable privilege of being a member of the House, he seems, by some mysterious process, to have inspired another honorable member to make the same interjection which he made to-day, and to which practically the same answer was given by the honorable member for Coolgardie.

Mr. TUDOR.—It is a matter of history repeating itself.

Mr. DEAKIN. — Without detaining the House too long, may I be permitted to reca-

pitulate briefly the various steps which have brought us to our present position, because I think that, naturally, and yet unwittingly, the honorable member for Grey has conveyed an impression of backwardness on the part of the Commonwealth, which is not justified, if we take into account the various intermediate stages through which this question had to pass. I find that it was on the 18th April, 1901, that you, sir, as Premier of South Australia, submitted the first offer of the Territory to the Commonwealth Government. As you will doubtless recollect, owing to the loss of certain papers which you had ordered to be transmitted, some five or six weeks elapsed before they were traced through the Post Office to another destination, recovered, and placed in the hands of the Commonwealth Government. Copies of your letter were made, and the Cabinet took the matter into immediate consideration. Then, consequent upon your acceptance of a seat in this House, you retired from the Premiership of South Australia, and your successor, Mr. Jenkins, indorsed the views of the Cabinet of which you had been the head. In other words, it was not until July of that year that we were really faced with this proposal in a definite shape. In the same month one of the representatives of South Australia in this House, Mr. V. L. Solomon, tabled a motion favouring the transfer of the Territory to the Commonwealth. Having lived for a length of time in the Northern Territory, the honorable member was peculiarly qualified from personal experience to speak with regard to its conditions and prospects. He moved a motion which was debated at various intervals until the following year. It was in July that Mr. Jenkins agreed to the proposal, and as early as December, 1901, the Legislative Council of South Australia closed a debate upon this subject with a declaration that not only the liabilities of the Northern Territory should be paid by the Commonwealth Government, if it accepted the Territory, but that the boundary of South Australia should be altered, and that the Commonwealth Government should guarantee to complete the Transcontinental Railway. This was followed shortly after by the introduction of a measure into the South Australian Parliament providing for the construction of a transcontinental railway on the land-grant system. This was debated, and its effect was that in September, 1902—and I refer honorable members to *Hansard* of that year, page

15898—the honorable member for Grey said—

Both in the Legislative Council and in the House of Assembly of that State a resolution has been carried which, if it does not altogether repudiate the offer made on behalf of that State by you, sir, when you were Premier, certainly approaches very closely to it.

At the close of his remarks on that occasion, the same honorable member said—

Undoubtedly South Australia has repudiated the offer then made, and is attempting to dictate terms which were never mentioned when this proposal was before the State Legislature some years ago.

The honorable member for Barker, entirely in sympathy with that view, said—

It is true that the offer made by you, sir, as Premier of South Australia has not actually been withdrawn, but practically it has been withdrawn. That is proved, I think, by the action which has recently been taken by both Houses of the South Australian Legislature. Under these circumstances, I am not at all sure that it is wise for this House to further debate the question.

The actual position which the Commonwealth then occupied was that, while the acceptance of this Territory was under discussion, though no limitation had been imposed as to the terms on which it might be taken over, the South Australian Government and Parliament thought fit to alter their view, and to take action which, as was pointed out at the time, was quite inconsistent with the offer which had been made to us. Correspondence followed in which the then Prime Minister, Sir Edmund Barton, put the question plainly to the Premier of South Australia, and after the interchange of a letter or two the Premier of South Australia made an admission which he put in terms that were not altogether complimentary to the Commonwealth. Writing on the 1st December, 1902, he said—

The construction of the Transcontinental Railway is a matter of such vital importance to the State of South Australia that the Government does not feel justified in committing the decision thereupon to the Federal Parliament, which may possibly be hostile to a scheme which has the almost unanimous support of the people and Parliament of this State. Until, therefore, the time allowed by the Act for the receipt of tenders for the construction of the railway has expired, you will please consider that all negotiations concerning the transfer of the Northern Territory are suspended.

Mr. JOSEPH COOK.—Did they get any tenders?

Mr. DEAKIN.—There were, I believe, some inquiries, and some speculative offers,

but no tenders worthy of the name were received. I am not contradicting the honorable member for Grey, but pointing out that unless his sketch of the history of this transaction were supplemented by a knowledge of the intermediate facts, it might be assumed that the Commonwealth had been remiss in not dealing more expeditiously and favorably with the original proposal from South Australia. As a matter of fact, directly the offer was made, it was taken into serious consideration, and directly it was re-indorsed by a new Government who had come into office its discussion was commenced by this House. Before we could arrive at a decision upon the subject, the attitude of South Australia was altered. Still we persisted in our endeavour to carry a resolution, and succeeded in leading this House to express the willingness of the Commonwealth Parliament to accept the Northern Territory on just terms. I venture to submit that in view of the fact that this was done in the very earliest days of the Commonwealth Parliament, when we were overburdened with legislation for Federal organization, in connexion with the Tariff, and a number of other urgent questions, it cannot be said that any undue deliberation or any unwillingness to deal with this matter was exhibited. On the contrary, the feeling of this Parliament was entirely in favour of the proposition being reduced to a business basis. South Australia alone is responsible for the withdrawal of the offer made in 1901.

Mr. POYNTON.—I never suggested otherwise.

Mr. DEAKIN.—I know the honorable member did not, but honorable members fresh to the consideration of the subject, and thinking merely of the time that has elapsed, might infer that this delay was due to us. The question did not come before us again until within the last few months. There was a break, for which we were not responsible, from the close of 1902 to the close of 1905. At the end of 1905, the House of Assembly of the South Australian Parliament carried a resolution, practically repeating the very resolution passed by the Legislative Council of South Australia in 1902, that caused an honorable member for South Australia, Mr. Solomon, to desire to withdraw the motion he had moved in this House. It also led to the honorable members for Grey and Barker to use the remarks with reference to repudiation to which I have already referred.

Mr. JOHNSON.—There was an interval of three years.

Mr. DEAKIN.—Yes, but after that interval the South Australian House of Assembly carried practically the same resolution as that which I have shown was not favoured by the honorable members to whom I have referred. The South Australian House of Assembly first advised the South Australian Government to re-open negotiations with us. In the second place, they asked for the payment of the total amount expended by South Australia, not only in connexion with the settlement, but with the administration of the Northern Territory up to the date of its transfer. The next condition they proposed was that the Commonwealth Government should agree to construct the Transcontinental line from the southern border to the present terminus at Pine Creek, which, as honorable members will recollect, is the inland terminus of the line constructed from Port Darwin. They then went on not only to ask for the construction of the railway, but to say what the line of route should be—within 100 miles east and west of the present Overland Telegraph line, and to recommend where the termini should be. They finally sought to impose a condition that the construction of the line must be commenced within twelve months from the passing of the necessary Acts by the State and Commonwealth Parliaments, and that the results of such negotiations should be submitted to the South Australian House of Assembly. Consequently, they asked for more than the South Australian Legislative Council had previously asked.

Mr. JOSEPH COOK.—“Ask and ye shall receive, that your joy may be full.”

Mr. DEAKIN. — I think their joy would have been very full and even overflowing, if they had obtained an acceptance of those terms.

Mr. POYNTON.—I think the Legislative Council's resolution limited the area to be handed over.

Mr. DEAKIN.—Yes; in their resolution they asked that the boundary should be extended northward to the 21st parallel of latitude. Of course this was only the commencement of negotiations, and every one knows that a preliminary offer of this kind is not intended to represent the final minds of the parties. The last resolution

was passed in December, 1905, and was forwarded to us on the 3rd February this year, with a statement from the leader of the South Australian Government—

I shall be glad to receive an expression of the views of your Government, as Ministers may feel disposed to submit the question for discussion at the forthcoming conference of Premiers in Sydney.

So far as I am aware, it was not submitted at the Conference. An appendix, containing a very valuable statement, appears at page 214 of the proceedings of the Conference, to which honorable members can refer if they so desire, showing the prospects of the Territory, according to Mr. Brown, the Government Geologist of South Australia, on the 11th April in this year. But no proposition, so far as I am aware, was made to the Premiers, and certainly not to the Commonwealth Government at that Conference. The South Australian Government wrote on the 3rd February, and on the 23rd February we replied in a letter to which reference has been made. We pointed out that in 1901 they offered us the Territory, including the railway and all the other assets, for the liabilities, which then amounted to £2,800,000. That offer this year meant the taking over of liabilities amounting to £3,400,000. We said that during the five years which had passed since the original offer was made, the price the Commonwealth was asked to pay had been increased by over £500,000, and, in addition, a new obligation was introduced binding the Commonwealth to construct a railway estimated to cost several millions sterling. We said, further, that—

Under these circumstances, it is natural to inquire what has happened to justify this remarkable enhancement. When the Government of your State in 1902 withdrew the offer of the Territory to the Commonwealth, it was in the belief that private enterprise would be prepared to construct the railway from Oodnadatta to Pine Creek on the consideration of grants of land to the extent of about 75,000,000 acres, and in addition any profits which might be made from running the line. That project was extensively advertised throughout the world, but, so far as this Government is aware, no offers were made to undertake it on the terms proposed.

Then we proceeded to concur with them that the settlement of the Territory was an enterprise of national importance. We supposed that it would involve a very large investment of public money to make it thoroughly remunerative, and to populate it; but we recognised the obligation to

consider it in the interests of Australia, and said—

Any transactions in relation to it ought not to be entered upon in a narrow spirit of barter, but with due regard to the interests of the whole of our people.

We then put to them one or two questions as to whether they indorsed the proposal for transfer, and the extent to which they adopted the terms of the resolution passed by the House of Assembly, and also the pertinent inquiry—

Why should the proprietorship of an area apparently rich in potentialities of wealth and progress imply annual deficits?

The 6th of April is the date of their reply, from which the honorable member for Grey has made some extracts. In this letter they point out that—

The proprietorship of the Territory does not imply annual deficits if in the hands of a Government unhampered by restrictions such as are imposed upon the State by Federal legislation, in the shape of the bar against the importation of white labour under contract, and the non-admission of railway plant duty free.

Mr. JOSEPH COOK.—Who wrote this letter?

Mr. DEAKIN.—This is a letter from the Government of South Australia, signed by Mr. Kirkpatrick, as Acting Premier.

Mr. JOSEPH COOK.—Does he raise the white labour difficulty?

Mr. DEAKIN.—He points out that—

This Government has conditional offers to construct a railway on the land grant system. The conditions relate to the prohibition of the importation of contract labour, and exemptions of Customs duties on plant and material.

Having shown the reasons why he alluded to these conditions, he says, further—

Our reasons for asking a higher price than was named in 1901 are :—The additional cost incurred since that date, and the fact that we are offering a greater area than was then offered. Moreover, we have now to construct the railway from the present terminus, Oodnadatta, to our northern border.

Then he says that they are particularly desirous of having the overland line from Oodnadatta to Pine Creek completed. On the 30th April we replied in a letter which does not appear to have reached the honorable member for Grey, and which, perhaps, I ought to read—

In continuation of my letter of the 11th inst. acknowledging the receipt of yours of 6th idem., on the subject of the Northern Territory, I have the honour to inform you that the second paragraph of that communication contains the first reference which has reached this Government to the alleged disabilities placed in the way of successful administration of the Territory by reason of Federal legislation.

2. There appears to be some misunderstanding with respect to the difficulty of importation of white labourers under contract. I enclose a copy of the Contract Immigrants Act, passed during the recent session, and invite your attention to its terms.

3. If the proposed immigrants are of British birth or descent, all that is necessary is that the contracts relating to their employment shall be filled before their admission, and that such contracts shall show that the men are not brought here in contemplation of an industrial dispute, and that the terms of their agreements are not unfair.

4. If the proposed contract labourers are not British, there is an additional proviso to the effect that it must be shown that a sufficient number of men suitable for the work are not to be found in Australia.

5. No application has been received by me for the registration of any contract for labourers to work on the proposed railway, nor has any application of a preliminary character been made to ascertain whether Ministerial approval would be given to any special terms.

6. Under the circumstances, therefore, this Government cannot admit that the Federal legislation with regard to contract labour has any effect whatever on the Northern Territory or the proposed railway.

7. Similar remarks apply to the admission of railway plant duty free. No request has reached this Government for any concessions in this direction, and in any case the amount of money involved would surely be a comparatively small item in the very heavy expenditure which the construction of the railway would involve.

8. Further, the force of your argument that the difficulties imposed by Federal legislation, presuming them to exist, bear more hardly upon the State than upon the Commonwealth is not apparent. Because the Commonwealth Government is charged with the duty of administering the laws which have been passed by the Federal Parliament, it is not thereby relieved from the obligations of complying with those laws in precisely the same manner that is obligatory upon every other Government, corporation or individual within the Commonwealth.

9. I shall be glad to be favoured with particulars respecting the conditional offers which I learn have been made to your Government to construct the railway from Oodnadatta to Pine Creek.

10. I regret that in response to my request for the reasons which have induced your Government to require higher terms from the Commonwealth than were named by your predecessor, Mr. Holder, when making an offer of the Territory in 1901, the only contentions you now put forward are :—

- (1) That additional cost has been incurred since 1901;
- (2) That a greater area is now offered;
- (3) That you have to construct a railway from Oodnadatta to the northern boundary of your State;
- (4) That your Government is particularly desirous of having the overland line completed for the reason that it will enhance the value of the Crown lands passed through, and will improve the earning capacity of existing lines.

11. In considering these I shall be glad to know in regard to—

(1) Whether the additional cost referred to has improved the facilities for the settlement of the Territory; *i.e.*, has it been expended in promoting development, or has it not rather been in the nature of payments of accumulated interest on previously existing debts?

(2) What greater area is now offered? Mr. Holder in 1901 intimated the readiness of his Government to offer "the territory known as the Northern Territory." Your letter of 3rd February refers merely to the Northern Territory. Will you kindly say whether the boundaries have been altered in the meantime, and if so, by what means and to what extent.

(3) In what way the position of the State has altered? In the 1901 offer there was no mention of any railway, and consequently no obligation of the Commonwealth to construct one either wholly or in part. Any benefit to your land or railway revenues is hardly a ground for enhancing the price you now ask from us.

12. The figures showing revenue and expenditure in the Territory have not yet been fully considered. It appears possible that further information may be required by the auditors in regard to the practice of crediting the proceeds of land sales to revenue, and also as to the extent of the allowance, if any, made for depreciation of plant, &c., on the Pine Creek railway.

13. I shall be glad if your Government will give further consideration to the question, and submit an offer more nearly on the lines of the one made by Mr. Holder. If you can see your way to take that step, this Government will undertake to bring the proposal before the Parliament without delay, with a view to ascertaining whether it is willing, on behalf of the whole Commonwealth, to undertake the important and onerous duty of attempting to develop the resources of the Northern Territory.

We wrote that, as I have said, on the 30th April, and more than two months have elapsed since. I am not complaining of the delay, because the questions we asked are searching, and this is a matter involving a great many other considerations besides those mentioned. The Government of South Australia are quite justified in not committing themselves hurriedly to an offer to which it would not feel sure of obtaining the support of both Parliament and people. We were always anxious to be prompt, and at no stage has there been any delay on our part. Our replies have not only been quick, but, as I think the House will see, they have been direct.

Sir LANGDON BONYTHON.—I do not think there is any accusation of delay on the part of the Commonwealth Government.

Mr. DEAKIN. — I rather understood that was implied.

Sir LANGDON BONYTHON.—I do not think so.

Mr. DEAKIN.—Within the last few days the South Australian newspapers have published a cablegram containing the following:—

A number of strong financiers have made a proposal for the completion of the Transcontinental Railway from Oodnadatta to Pine Creek, to connect Adelaide with Port Darwin. They are willing to pay down a deposit of £50,000 as a guarantee for the satisfactory carrying out of the work, and ask for a twelve months' option. They are anxiously awaiting the decision of the South Australian Government. They are confident of a successful issue for their scheme if the consent of the State is not delayed.

On this Mr. Price was interviewed and reported by the newspaper as follows:—

Mr. Price cannot understand the statement that the financiers are anxiously awaiting the decision of the South Australian Government, because it was cabled to the Agent-General last week. The reply was that the offer could not be entertained because of the negotiations which are going on between the Federal and the South Australian Governments for the Commonwealth to take over the Northern Territory. When reminded of the fact that the Transcontinental Land Grant Railway Act is still on our statute-book—

That is the South Australian statute-book—

Mr. Price pointed out that its operation had virtually expired, and that its provisions are in force only at the discretion of the Government.

Mr. Price went on to say—

However, I have laid this and other proposals before Mr. Deakin, so as to prove to him that in taking over the Northern Territory the Commonwealth would be acquiring no dead horse.

It will be observed that the Premier of South Australia has been cabling to the Agent-General of that State with reference to a large financial proposal connected with the Northern Territory, and, consequently, one reason for his delay in replying can be understood. I have not yet received any information as to this offer, but fail to see anything in the negotiations now proceeding with the Commonwealth which ought to really embarrass the Premier of South Australia in dealing with any offer as to the railway which he thought he ought to entertain. Apparently there is an option for twelve months, because there has to be a deposit within that time of £50,000 as a guarantee for the satisfactory carrying out of the work. As I read

the cable, this money will have to be returned if the operations are not undertaken within twelve months.

Mr. MCWILLIAMS.—Is it not the other way—that the syndicate shall forfeit the money if they do not carry out the agreement?

Mr. POYNTON.—Mr. Price referred to the fact that there might be failure after the twelve months, and he wanted the £50,000 first.

Mr. DEAKIN.—I think the honorable member is right. Mr. Price, speaking to the newspaper said—

The proposal was that the financiers concerned should have, he believed, a twelve months' option, and that during that period the £50,000 should be deposited.

Mr. JOHNSON.—So that the syndicate have twelve months in which to make up their minds.

Mr. DEAKIN.—I do not think that a proposal of that kind need be at all affected by the fact that there have been tentative negotiations with the Commonwealth. If a *bonâ fide* proposal for the construction of an overland railway on terms which either the State or the Commonwealth, or both, could accept were made, one would have supposed that it would have been communicated to us. Nothing more was necessary. Taking into account the anxiety expressed for the railway, one would expect, whether the Commonwealth took over the Territory or not, that promising negotiations would be pushed on by so shrewd a business man as the Premier of South Australia. Therefore, I am as yet not personally impressed—though there may be a great deal more of which we have not been informed—with anything of which we are aware in connexion with the offers made to construct an overland railway. That, of course, leaves us still face to face with the original question. If I have established my first point, that any review of the various stages in these negotiations show that the Commonwealth has not been backward in any way, on the other hand the action taken in South Australia appears to suggest a divided opinion. It is part of our business, as Federal representatives, to read as many of the leading newspapers as we can, and I make it my business to keep an eye on the South Australian newspapers—one in particular—to learn what is transpiring in that State. Judging from letters which ap-

pear in that newspaper, the South Australians are not yet unanimous as to parting with the Northern Territory on any terms. There are South Australians who take a sanguine view of the material possibilities of the Territory.

Mr. WATSON.—The Territory is a pretty big burden upon their finances.

Mr. DEAKIN.—Yes; but those gentlemen who, so far as I know, have no financial interest in the matter beyond that of taxpayers, take so hopeful a view of the possibilities of the Territory that, with evident sincerity, they declare that it should be retained by the State.

Mr. POYNTON.—Mr. Darling was strongly of that opinion, and he is a shrewd man.

Mr. DEAKIN.—Under the circumstances, the hesitation which has been displayed by the South Australian Government may be natural. Apparently, the people of South Australia, or their representatives, have not yet entirely made up their minds unless, indeed, they can get such terms as are suggested by the last resolution; in which case, I cannot imagine there is a person in South Australia who would not jump at a settlement. That, however, does not dispose of the case put by the honorable member for Grey. For my own part, I do not wish to refer to the debate of 1902, when it was my fortune, in consequence of the absence of Sir Edmund Barton, to speak on this question, and to consider the undoubtedly great prospects of the Northern Territory. Of course, we are confronted by the difficulty to which the honorable member for Lang called special attention. Taking over the Territory would raise directly a problem, which, as yet, only affects us indirectly, that is, the question of the labour to be used in its development. But it is also true that such a difficulty is greatly exaggerated by most of those who discuss it. That part of the Northern Territory which is now utilized, and likely to be utilized, for pastoral pursuits, is a plateau.

Mr. WATSON.—Where there is a splendid climate.

Mr. DEAKIN.—It is admitted by all observers that the climate there, far from being likely to impair the vigour of the white man, is excellent. Then, again, I am told that mining with coloured labour in the Northern Territory is actually dying out—that mining with white labour,

so far as the prospects admit, has not suffered, and that there is nothing to prevent the whole industry from being carried on without the assistance of coloured labour.

Mr. JOHNSON.—I was speaking in view of the report of the Governor of South Australia.

Mr. WATSON.—The Governor of South Australia says nothing against the climate.

Mr. DEAKIN.—I am not disputing what the honorable member for Lang said, but merely narrowing down the problem to its actual limits. As in Queensland, the problem relates only to the low-lying coast belt, where there is a moist heat, and where the land is, no doubt, peculiarly suitable for tropical cultivation. Even there the problem in the Northern Territory is not that of coloured labour against white labour. Even in those parts which are suitable for tropical agriculture, the choice is between the northern European and the southern European. The question which will have to be considered is whether, if our own countrymen will not take the land up, it is not to the interests of Australia to people it with those inhabitants of southern Europe, who are accustomed to a climate, at all events, approaching that of the Northern Territory, and who are, by nature and practice, agriculturists. Many of those people, who are leaving for the United States and South America, have been agriculturists for generations, and are practically never known to turn to other occupations.

Mr. MCWILLIAMS.—The experience is that southern Europeans are not agriculturists in the United States.

Mr. DEAKIN.—I am perfectly aware of that, but am guarding myself by saying that my statement refers to the present immigration of southern Europeans to the United States and South America. To my own knowledge, a proposal to bring similar agriculturists to this country has been made to one State, and is about to be made to another State. These immigrants are men of splendid physique, and of good character, and they are so thoroughly country dwellers that, as I say, they are scarcely ever known to leave the soil. Of course, like all other European people, they require to adapt themselves to Australian conditions, but, before we give up the idea of cultivating these low-lying tropical lands, it would be worth the while of any State, or the whole of the States, to try whether, if people from

Great Britain will not undertake the work, people from southern Europe will do so. If by those means we solve the one problem that remains—

Mr. KELLY.—How could we keep those people there?

Mr. DEAKIN.—We should not require to keep them if they are agriculturists.

Mr. KELLY.—Land would be given to them?

Mr. DEAKIN.—They would require land. When the honorable member talks of keeping the immigrants there he must remember that probably a generation or two would pass before there would be any movement among a people who, above all things, cling to the land, and satisfy their ambition in becoming landed proprietors. If their occupation is remunerative to them, one should not expect, in the light of the experience in South America, to see any movement on their part for some time.

Mr. LIDDELL.—The Prime Minister does not object to the introduction of those people?

Mr. DEAKIN.—I never have objected. Undertaken with caution and guardedly, and subject to reasonable conditions, I have always been in favour of the introduction of such people in a case of this kind. Indeed, as a last resort, anything would be better than to leave this territory entirely unoccupied as it is to-day.

Sir LANGDON BONYTHON.—The Prime Minister proposes to give effect to the suggestion of the President of the United States?

Mr. DEAKIN.—Yes. The President of the United States, if I may say so, used words of wisdom when he told us to fill our cradles and our continent. Nevertheless the problem in the Northern Territory need not be nearly so severe as many assume. Yet the problem is there, and beyond it is the greater problem of increasing the white population there and everywhere in Australia. I do not think any one can complain of the South Australian policy, which has been spirited and liberal. One of the most discouraging features in connexion with the Northern Territory is the fact that, although land has been offered by the South Australian Government on the most favorable terms—although great encouragement has been given, and public money for many years has been spent liberally in the attempt to establish tropical agriculture—the effect of all this effort has practically resulted in next to nothing. The South Australian

Government may have made mistakes, and, no doubt, has done so; but, so far as tropical agriculture and pastoral pursuits are concerned, I do not know any Government that has given more encouragement; and yet the result has been unsatisfactory. It is no reflection on South Australia to-day that the Northern Territory is not a great success. In the time and with the means at their disposal, they have done everything that could be expected of them. Of course, different methods prevail to-day. We have made advances. We must believe that a country so obviously rich in mineral and agricultural resources, if settled in the right way, is capable of being utilised in such a manner as will be satisfactory to the people of this country, whose money will be spent in its development.

Mr. McWILLIAMS.—Has any explanation been given as to why people do not go into the Northern Territory as readily as they go into Northern Queensland?

Mr. DEAKIN.—We must remember that Northern Queensland is less remote than the Northern Territory. It is easier to gain access to it, the shipping facilities are greater, and there is also the great advantage that at the back of, and close to, the low lying tropical country of Queensland, there is an elevated plateau, in which wage-earners can find employment in farming or mining, and can, with ease, transfer their services to a good climate, where they can be profitably employed. But we have always to recollect, as to the Northern Territory, when we are speaking of tropical agriculture, that we are quite close to some of the cheapest and richest countries in the world. I allude, of course, to Java and the Straits Settlements, about which Senator Staniforth Smith has recently written so interesting and valuable a report. At our very door, so to speak, we have countries possessed of the richest kind of soil, with the cheapest labour. In view of those facts, we must always bear in mind, in considering the possibilities of tropical agriculture in the Northern Territory, that the Commonwealth must consume nearly all that can be produced there, and must take care that special provision is made in our Tariff to give such aids as are necessary to producers in that part of the country. I do not wish to discuss the possibilities of the Territory from the point of view of meat export and horse raising, to which the honorable member who moved this motion re-

ferred. They are very encouraging at the present time. We are all glad to know that the great primary industries of the Northern Territory are prosperous, and believe they will continue to be so. Of course, there is a great deal that might be said upon the subject of the resources and possibilities of the Territory, but I need not discuss them now. It seems to me that we are entitled to ask the House to give sympathetic consideration to the motion which has been submitted. Even the amendment moved by the honorable member for Coolgardie does not appear in any sense hostile. The honorable member for Grey realizes, as we all realize, that this is a question that has to be discussed as a matter of business. I do not say that it is only a matter of business. We are justified in saying that it is a national matter, which should be looked at in national aspects. But when we come to deal with South Australia—a State renowned for the great economy and the sound lines on which its finances have been conducted by successive Premiers and Treasurers of distinguished attainments—we have to remember that we are dealing with very competent business people indeed. The honorable member for Coolgardie takes up a position of cautious reserve towards the South Australian Government offer. Apart from its terms, I think that we ought to come to business, and that the sooner we do so the better. If the South Australian Government will reply to my letter of 30th April, and will furnish the information desired, we will not prolong the correspondence. If they come down with a practical proposal, we will with pleasure and promptness submit the matter to this House. What we want to get from them—if I may be pardoned for saying so, with every respect for their previous letters on the subject—is a reasonable offer. I look upon the proposal, directing us to construct a railway, and dictating conditions with regard to it, as not being such an offer as we ought to be asked to consider. Whatever terms we may discuss with the South Australian Government, after we come into accord with them, will have to be submitted to both the State and the Commonwealth Parliaments. Neither of us can be caught napping. No hard bargain can be driven by either. If South Australia will make up its mind that it really does wish the Commonwealth to take over this Territory on fair terms, and will submit a general offer to us, I believe that

this House will authorize this Government to meet the South Australian Government, and to discuss those terms with a view to arrive at an arrangement. We believe that it is in the interest of Australia as a whole that the Territory should be under the control of the Commonwealth, and that we should be responsible for it. Even though in the beginning it may involve burdens, we must look forward, within a reasonable time, to its becoming self-supporting. In fact, in my opinion, it ought to become self-supporting, under a vigorous policy of development, in ten years. We want, I say again, to get a reasonable offer from South Australia—an offer sufficiently reasonable to enable us to consider it apart from abstract questions like railway construction.

Mr. JOSEPH COOK.—That is not an abstract question.

Mr. DEAKIN.—I am referring to it as abstract or impossible, because it must be known we are not prepared to entertain them. If an offer is submitted to us without such conditions attached, we shall be ready to take action.

Mr. McWILLIAMS.—If the Government is in agreement with it, what is the use of this motion?

Mr. DEAKIN.—I understand that it is submitted for educational purposes. The honorable member for Grey recognises that, unless he and those who sympathize with him bring this matter before the House—although it was previously brought under notice in the debate upon the Governor-General's speech—it will be apt to be dropped out of the memory of those who are not immediately interested. The people of South Australia hardly realize that our attitude to this question is favorable, and always has been. Under the circumstances, I hope that the honorable member for Grey will consent to some honorable member moving the adjournment of the debate, so that, in the meantime, we may have an opportunity of receiving a reply from the Government of South Australia. I trust that we shall soon be able to deal with a business question in a business-like manner.

Debate (on motion by Sir LANGDON BONYTHON) adjourned.

OUTRAGES IN RUSSIA.

Mr. STORRER (Bass) [5.25].—I desire to amend slightly the motion of which I

have given notice, and to move it in the following form:—

That this House expresses its deep regret at the news of outrages in Russia, and its confident hope that counsels of wisdom and justice will secure to those of its citizens who are suffering the effective protection of its laws.

It may be asked what the question with which this motion is concerned has to do with this Parliament. My reply is that, wherever we hear of outrages occurring in any part of the world, it is our duty to express our regret at such occurrences. That is all that I am asking the House to do now. The outrages in Russia warrant us in expressing our earnest hope that the evils from which they spring may speedily receive an effective remedy. I have no desire to cast any reflection on the great Russian nation. We are well aware that she has had great troubles internal and external during the last few years. But, realizing those troubles as we do, it is at the same time our duty to sympathize with those who are suffering. Though they belong to a foreign nation, they are people of flesh and blood as we are. I have said that it is our duty to sympathize with them. I think it is also our privilege to take advantage of our position to express our earnest hope that the outrages will cease, and that peace and prosperity may soon be restored to the great country in which they have occurred. Although we may be but a small people, yet our sympathy with the Russian nation may be as a drop of water falling upon a mountain, which, joined with other expressions of sympathy, may become a mighty stream, and have a potent effect in the restoration of internal peace to a distracted country.

Mr. DEAKIN (Ballarat—Minister of External Affairs) [5.28].—Without detaining the House, I wish to point to the exceptional condition of affairs out of which the unhappy occurrences in Russia have arisen. We have seen that great and gallant nation suffering a series of losses and reverses in a disastrous war which has left the country in a prostrate condition. An effort has been made, and is still being made, to bring its ancient forms of government more into accord with those liberal principles with which we ourselves are happily familiar. But the change from the former condition of things to that which is now being brought about is so great—the distance to be traversed in a few months from a system of

government practically without any representative element to one in which for the first time the representative element is introduced on a great scale—has been so enormous that naturally a most severe and unprecedented strain is felt throughout the vast expanse of the Russian Empire. Under these circumstances the existing authorities have been placed at a most serious disadvantage. In many cases they have been powerless. Also, in a country so various, racial animosities—antagonisms of blood—persist which acridly embitter the transformation while it is proceeding. We must remember, too, that their people have not had the inestimable advantages which are enjoyed in most countries of Europe, and by means of which the great body of those affected have been prepared for understanding and sympathizing with the political movements of the times. Amazing changes in the institutions of this great nation are taking place before our eyes. We know the responsibilities of its enormous territory, and the fearful burden imposed by the late war, which, however costly in money, was far more costly in blood—fathers, brothers, sons going to the East never to return, or coming back maimed and suffering. All these privations and miseries must be kept in mind. We may, therefore, be pardoned for expressing sympathy with the victims who are being sacrificed in the temporary disorganization accompanying a swift transition to a form of government far in advance of that which has hitherto existed. There are reactionary forces in every country, and they, no doubt, play their part in Russia; but honorable members, without distinction of political opinion, may unite in expressing regret at the untoward incidents in what we are glad to believe is a great progressive march on the part of one of the most brilliant and courageous races of the old world.

Mr. McWILLIAMS (Franklin) [5.32].—So far as the motion expresses sympathy with the unfortunate Jews, who have been the real victims of outrage in Russia, I am completely in accord with it; but if it expresses sympathy for the Russian people generally, I have only to say that many of the victims of the present outrages have been, within the last year or two, the perpetrators of some of the greatest crimes which have darkened the annals of Europe, and for them I have very little sympathy.

Mr. DEAKIN.—The Russian people, as a whole, are not responsible for these outrages.

Mr. McWILLIAMS.—The Russian people are responsible for the Jew-baiting which so constantly occurs, and the Students, and the men who have laboured hard for years to bring about reforms in that country, are sold by its wretched rabble for a few shillings. One has only to read recent publications to know that in some cases Jews have absolutely been nailed to crosses, while, in other cases, stakes have been driven through their eyes. These crimes have been committed, not by the rulers, but by the rabble of Russia.

Mr. DEAKIN.—We cannot believe all that we read.

Mr. McWILLIAMS.—It has been proved beyond doubt that in Russia thousands of Jews are slaughtered by the Russian people almost every year. The Japanese knew what they were doing when they allowed Russia to make peace with them. They knew that the Russian armies, if they returned to their own country, would inflict a greater injury upon the Russian nation than the Japanese could inflict in five years of warfare. The history of Russia, so far as my reading has gone, shows that bad, tyrannical, and damnable as the Government of that country has been, its acts have been paralleled by the atrocities perpetrated by the Russian people. The history of the world contains nothing worse than the Jew-baiting of the last few years, not by the rulers, but by the people of Russia. I would go as far as any honorable member in expressing sympathy with the real victims of outrage in Russia—the Jews; but I have practically no sympathy for the Russian people themselves. They have been spoken of as a brave nation, but the other day, when they had a considerable proportion of the navy, and a very large proportion of the army, at their backs, they took care, whenever there was trouble coming, to place their women and children to the front, and these bore the burden of the atrocities of the Cossacks. If the Russian people had an ounce of pluck, they would not require sympathy.

Mr. KELLY (Wentworth) [5.36].—I should not speak on the motion, but that I feel that the honorable member for Franklin has gone a little too far in what he has said against one of the world's greatest peoples.

Mr. McWILLIAMS.—I have said exactly what I think.

Mr. KELLY.—I do the honorable member the justice to suppose that he spoke from the deepest conviction. At the same

time, we should be extremely cautious about accepting the highly-coloured, sensational statements of persons whose interests may lie in exaggerating what has taken place in Russia.

Mr. McWILLIAMS.—That remark applies to the statements of both sides.

Mr. KELLY.—It is not necessary to go into the origin of the outrages which have taken place in Russia. The motion, if adopted, will be merely an expression of our deep sympathy with the victims of those outrages, and of our confident hope that the wisdom and justice of the nation will speedily restore peace and the equal protection of its laws. I do not propose to offer any opposition to this proposal.

Mr. JOSEPH COOK (Parramatta) [5.37].—I wish to say a word or two before the motion is passed, as no doubt it will be, practically unanimously.

Mr. THOMAS.—Have we any right to interfere with Russia if we cannot interfere with England?

Mr. DEAKIN.—We are not interfering.

Mr. KELLY.—We are merely expressing sympathy with victims.

Mr. JOSEPH COOK.—I take it that the motion has been framed to avoid the appearance of interference in Russian affairs. If I thought that it could be construed into an attempt at interference, in however slight a degree, I should not support it. There can be no harm in expressing our abhorrence of the atrocities which are reported to have taken place recently in that most unhappy country. The birth-throes of national life are always painful, as our history, and that of every other civilized country, bears witness. So far as one may judge from the outside, Russia is struggling into a larger and more capacious national existence, which, we may all hope, will be blessed with the priceless heritage of freedom which we ourselves have acquired only by enormous sacrifices throughout long generations. The motion, I take it, has to do particularly with the Jewish victims of atrocity. Whatever opinions we may have concerning the races of the world, those who own allegiance to the Christian religion must have kindly feelings for that race, which, although there are things in its history which might better have been otherwise, was for ages the depository of our holy religion. No doubt the Jews of Russia are under enormous disabilities. They do not enjoy civil rights, and may not engage in any State occupation. They are

suffering there, as in the past they have suffered in other countries, where their disabilities have long since been removed owing to the enlightenment of public opinion. For these sufferings they are entitled to the sympathy of the civilized world, and it is in that spirit that I express concurrence with the mover of the motion. I hope that it will have the best results. Whatever may be its defects, Russia is one of the great civilized powers of the world.

Mr. McWILLIAMS. — Russia is not civilized.

Mr. JOSEPH COOK.—It is a matter of extreme delicacy and difficulty, and even of danger, to interfere with the internal affairs of such a nation.

Mr. DEAKIN.—It is reported that the British Ambassador has done so with the most salutary effect.

Mr. JOSEPH COOK.—The difficulty and danger of interfering in Russia's management of her own affairs are probably the reasons why President Roosevelt and Sir Edward Grey have declined to take any part in trying to bring the pressure of public and political opinion to bear upon her. We in Australia, however, are not so nearly concerned in the disposition of national affairs that we cannot safely, and without misunderstanding of our intention, express our sympathy for those who have suffered, and our earnest hope that there may be a speedy end to the atrocities which have shocked the nations of the world.

Mr. CARPENTER (Fremantle) [5.44].—I wish to say, before voting for the motion, that I should have been glad if the honorable member for Bass had framed it in more specific terms.

Mr. CROUCH.—At present it can mean anything.

Mr. DEAKIN.—It is an expression of sympathy.

Mr. CROUCH.—Who are the "victims of the recent outrages" in Russia? The motion might be taken to refer to the governing classes, and even to the Czar himself.

Mr. CARPENTER.—As we have not before had a motion of this character before us, we are, to some extent, breaking new ground. I am not averse to an expression of sympathy in the event of anything like a disaster overtaking a nation, but we cannot express an opinion with regard to strife which has been taking place for some time past, and is still going on, in Russia, without in some way allying ourselves with one

or other of the parties. For instance, the motion asks us to express our deep sympathy with the victims of the recent outrages in Russia. No particular outrage or class of outrages is specified. I would point out that there have been outrages of a class which, although they may appear for the time being to the people of Russia as the outcome of the natural protest of one class against the domination of another, appear to us in democratic Australia as the manifestation of a spirit in which we all glory.

Mr. HENRY WILLIS.—What!—the outrages?

Mr. CARPENTER.—No; but we glory in the spirit that is expressed in them.

Mr. JOSEPH COOK.—As I understand, the motion broadly expresses the hope that the law may soon supersede force.

Mr. CARPENTER.—Everything depends upon the point of view. According to the information communicated to us, some of the very worst of the outrages have been the result of the direct action of the Government. The honorable member for Bass has not enlightened us as to the outrages to which his motion refers.

Mr. HENRY WILLIS.—To what outrages does the honorable member think it refers?

Mr. CARPENTER.—I do not know. I am asking honorable members not to hurriedly pass a motion which may bring us into conflict with another nation.

Mr. HENRY WILLIS.—Has not the honorable member heard of the slaughter of innocent men and women that has been going on?

Mr. CARPENTER.—I have heard of a good deal of that kind of thing; but I am sure that the honorable member does not want to do anything that would arouse the resentment of the Russian nation.

Mr. HENRY WILLIS.—I do not care a jot for the resentment of the Russian nation.

Mr. CARPENTER.—I am anxious that we shall not in this broad way express an opinion which may be misinterpreted and regarded as offensive. If the motion had merely expressed regret at the outrages that have been committed against the Jews, for instance, we should have known what to do. Even such a motion might have been open to objection. I do not think that the honorable member for Bass fully realizes the extent to which we should be going in passing a resolution which might arouse the resentment of a people with whom we have no quarrel, and with whom we want none.

Mr. STORRER.—The motion would not lead to any quarrel.

Mr. CARPENTER.—The motion might be misinterpreted in such a way as to lead to complications of which the honorable member cannot even dream, and unless it is couched in somewhat more specific terms I cannot support it. I have every sympathy with the victims of the whole of the outrages, but I do not think that we should practically say that we hope that the law of Russia, which has proved too weak to prevent such outrages, should be strengthened. I am glad to see the outbreak of a new spirit in Russia, and to notice that the students and more educated classes are taking up the work of reforming what I believe to be a corrupt system of government. The motion would immediately project us into the political arena of Russia, and I think that we should hesitate before we vote for it.

Question resolved in the affirmative.

REDUCTION OF TELEPHONE RATES.

Mr. PAGE (Maranoa) [5.51].—I move—

That, in the opinion of this House, the rates now charged by the Postal Department for the use of Trunk Telephone lines on the condenser system are excessive and should be reduced.

In the course of my tour through the Maranoa electorate during the recess, I found that the users of trunk line telephones generally complained that the rates charged by the Department were excessive, and that, instead of the telephone system being a boon to the residents of that vast electorate, it proved in many cases a curse, because persons often found, after using the telephone to communicate with distant stations, that they had to settle up at the end of the month an enormous bill. In Brisbane I ascertained that the rates charged on the trunk lines in Queensland were assessed on the presumption that services which actually cost only from £150 to £250 had involved an outlay of £4,000 or £5,000. In fairness to the users of the trunk telephone lines, which are worked on the condenser system, I think that the rates should be reduced considerably below those charged on the lines worked on the metallic circuit system, which is very much more expensive. I had an opportunity of speaking to the Postmaster-General upon this subject a day or two ago, and he led me to hope that the whole matter of telephone charges would be taken into consideration

at an early date. He promised that if I would allow the matter to stand over until the toll system of charges was being dealt with, he would give the fullest consideration to my representations. The members of the Government claim that they always give consideration to the needs of the people in the country, and I gratefully acknowledge that they have done their best to remove any causes of complaint. I trust that they will endeavour to cheapen the rates for the use of telephones in outlying districts, so that settlers in the country may be granted facilities equal to those enjoyed by residents in the centres of population.

Debate (on motion by Mr. DAVID THOMSON) adjourned.

ADMINISTRATION OF PAPUA: LIEUTENANT-GOVERNOR.

Mr. WILKINSON (Moreton) [5.56].—I move—

That, in the opinion of this House, the present administration of British New Guinea is unsatisfactory; and, in the interests of good government and the effective development of the Territory, it is advisable that, on the issue of the Proclamation bringing the Papua Act into force, an Australian citizen, in close and recent touch with the aspirations of the Commonwealth and of the Territory, should be appointed Lieutenant-Governor.

The Prime Minister has declared in favour of the policy of "Australia for the Australians," and I think that we might go a little further, and declare ourselves in favour of "Australians for Australia." I do not wish to reflect in any way upon the officials who are now responsible for the administration of affairs in Papua, but I think that it will be agreed that the progress made in that territory has not been so great as we might have expected, in view of the large amount of money that has been spent upon it. One of the problems that is said to confront Europeans in connexion with the development of tropical countries arises out of the necessity of inducing the natives to adapt themselves to the conditions of European civilization. I maintain, therefore, that, if we desire to secure officials capable of dealing with natives in tropical countries, we shall have to select men who have been accustomed to the conditions of tropical life for a considerable time. There is not much chance of our being able to secure officials of the right class in Great Britain—men who would have to come out here as "new chums." One part of my proposition is

that an Australian citizen in recent touch with the aspirations of the Commonwealth and of the Territory should be appointed as Lieutenant-Governor. I gather from Senator Smith, who has visited Papua, that there are great possibilities before the Possession. I have not had an opportunity of visiting Papua, but I know a good deal about Northern Queensland and of the possibilities of that portion of the Commonwealth. We have in Papua a native race which is more warlike, and, perhaps, more advanced, than are the Australian aborigines.

Mr. KELLY.—There are many different races in Papua—the tribes are as different from each other as chalk from cheese.

Mr. WILKINSON.—Has the honorable member been there?

Mr. KELLY.—No, but I have read the reports.

Mr. WILKINSON.—So have I. The natives speak many different languages, and, from what we can learn, there have been many different races there. In times gone by the natives of New Guinea, apparently, attained a fairly high degree of civilization. If we can judge from the remains of their pottery and other works of art, they possessed a higher degree of intelligence and mechanical skill than characterize the natives of the present day, who have, presumably, degenerated. We have spent £300,000 or £400,000 in the administration of affairs in New Guinea, and have not derived any adequate return for our outlay. I am free to admit that much has been done in the Territory by way of inducing the native tribes to entertain some regard for our own methods of civilization—in other words, to observe law and order. We have had to spend a good deal of money in compelling the native inhabitants to recognise our ideas of ethics, and to conform to the conditions of European civilization. If a Lieutenant-Governor be selected from Great Britain to administer the affairs of Papua, he will require to unlearn all that he has previously learned. That would not be the case if we chose for the position an Australian who has been used to pioneering conditions, either in the tropical, the semi-tropical, or the temperate regions of the Commonwealth. It stands to reason that a man who has spent nearly the whole of his time in Downing-street, or in the halls of the House of Commons, cannot be as well qualified to govern a Possession like New Guinea as is an individual

who has lived in the wilds of Australia. He cannot be as fit to deal with native races under tropical conditions as is the man who has been a pioneer in Northern Queensland. It is, perhaps, rather fortunate that practically the whole of this afternoon has been occupied in a very interesting discussion upon another Territory in which tropical conditions obtain. I followed that debate with considerable interest, because it had a very great bearing upon this motion. We have men in Australia to-day who went to the northern portions of the Continent thirty, forty, and fifty years ago, in order to develop them, and I venture to say that few more hardy individuals can be found to-day than these same grey-haired pioneers who have had to deal with native races under such uncongenial conditions. When we speak to these men they tell us that there is no better climate in the world than that which is to be found in tropical Australia.

Mr. EWING.—They were men of mature years before they went there.

Mr. WILKINSON.—I was born there. These men who have been pioneering the country possess better qualifications for developing a tropical territory than does any man who can be secured from Great Britain. I admit that Sir William McGregor, who was at one time the Administrator of New Guinea, performed good work. Since his retirement, however, instead of progression, there has been retrogression, and it is with a feeling of humility, if not of shame, that one compares what has been accomplished in the Eastern Archipelago, in German and Dutch New Guinea, and in the Malay Federated States, with what has been achieved in British New Guinea. The possibilities of that country, I believe, are indeed great. To me, it seems that there we shall find the solution of some of the problems which are going to trouble Australia. The Commonwealth has declared that Australia shall be a white man's land. But there are some commodities that we cannot produce by means of white labour, if we are to successfully compete with eastern countries. Upon the other hand, if we grant a preference to the products of the Possession—and I do not see why we should not—we have there native labour, a rich soil, and tropical conditions, which will enable us to produce for ourselves the commodities which the brown and yellow races are pouring into Australia to-day. In this connexion, I may be permitted to refer to one parti-

cular item. Take the production of castor oil as an example. Every year tens of thousands of pounds worth of that article are imported into the Commonwealth. I am aware that it is not possible to profitably cultivate the castor-oil plant in Australia by means of white labour, because we cannot compete with the coolies of India and their wives, who engage in the same industry. As a matter of fact, in India this plant is more largely used for shelter purposes than for anything else. But in New Guinea, with the aid of native labour, I believe that sufficient castor oil could be produced to meet all the requirements of Australia. Then again, China oil, which is obtained from the earth nut, could be produced in abundance there. Castor oil is one of the best lubricating oils for machinery that it is possible to obtain, and I hope that the time is not far distant when a much larger quantity of it will be consumed in connexion with our industries. In New Guinea there is cheap labour that we must employ, because we cannot allow the Papuans to remain idle.

Mr. KELLY.—Would the honorable member give the Papuans a market for their products in Australia?

Mr. WILKINSON.—I would be willing to extend a preference to them. I repeat that in the production of castor oil we cannot possibly compete with India. China oil, to which I have already referred, is largely used for illuminating purposes. If we were to undertake the production of these commodities in New Guinea, with the aid of native labour, I believe that we should be enabled to successfully compete with India.

Mr. EWING.—Does the honorable member think that in the production of China oil the cost of labour is an important factor?

Mr. WILKINSON.—Undoubtedly it is, because the nut which produces it grows in the earth. In India, I understand, it is planted in the ground, and the coolie women gather the nuts with their fingers and throw the earth upon one side. That is a very costly operation from a labour point of view. We could not employ white men and women to do that class of work. There are a number of other commodities such as kapok, and fibres of different kinds, which it will not pay to cultivate by white labour in the Commonwealth, but which could be successfully cultivated by means of native labour in Papua.

Mr. EWING.—Is not the cultivation of cocoanut the most profitable, after all?

Mr. WILKINSON.—When Sir William McGregor was Administrator of New Guinea, he passed a very wise ordinance compelling the natives to plant a certain number of cocoanut trees each year. That ordinance, however, except in the case of one residential magistracy, has been allowed to become a dead letter, and, consequently, the natives have relapsed into a state of idleness. I am not quite sure that their last position will not be worse than their first. We are credited with attempting to rescue them from a state of savagery, and yet we are making it possible for them to become habitually lazy.

Mr. HENRY WILLIS.—Perhaps they have heard of our policy in the New Hebrides. We will not admit the products of those islands into the Commonwealth.

Mr. WILKINSON.—The New Hebrides is not a British Possession.

Mr. JOHNSON.—It is partly peopled by British settlers.

Mr. WILKINSON.—That is so

Mr. HENRY WILLIS.—We have lands there which are available for settlement.

Mr. WILKINSON.—Had the ordinance which was passed by Sir William McGregor been continued and enforced, I believe that, instead of the revenue of New Guinea having declined, we should be deriving a sufficient amount from that source to defray the cost of its government, whereas to-day the position is that, whilst the Commonwealth votes £20,000 annually for its administration, the revenue amounts to only £19,000. Last year the production of the Territory was valued at £76,000, of which £56,000 represented gold alone. Seeing that the Possession has now been under British rule for eighteen or twenty years—it is eighteen years since it was annexed to the British Crown—I do think that better results ought to have been realized. I am therefore justified in saying that the present administration of the Territory is not satisfactory. I think that the value of the production of copra last year was only a little more than £5,000, or less than it has been for many years. Upon the other hand, we find that, under wiser administration, the agricultural products of the Malay Federated States and of the Solomon Islands form the chief source of their revenue. I think that one reason why we have not obtained better results in New Guinea is to be found in the difficulty of acquiring land there.

[37]—2

Mr. DEAKIN.—One great reason why industry in the Solomon Islands and other islands has survived is because it has been possible to secure large areas for the cultivation of the cocoanut.

Mr. WILKINSON.—That is so. I have to thank the Prime Minister for affording me an opportunity to see a copy of the new ordinances which were recently forwarded to New Guinea for approval. They are a very decided improvement upon any ordinances previously in existence, and when they come into operation I believe that we shall find a very great stimulus given to the occupation of land in Papua. The decision of this Parliament that all land in the Territory shall be held under a leasehold tenure has been urged as a reason why it has not been occupied by Europeans. As a matter of fact, the most prosperous tropical country, if not the most prosperous country in the world, is Java, where there is no freehold tenure of land. I am glad to see that Senator Smith, who has given a good deal of attention to the conditions of agricultural development in tropical countries, has said that he thinks the Commonwealth Parliament acted wisely in deciding that the system of land tenure to be adopted in New Guinea should be leasehold. What appears to have militated against the occupation of land in the Territory is that intending settlers had to wait so long before they could secure possession of the lands they desired.

Mr. DEAKIN.—Hear, hear; the delay in the issue of certificates of occupation.

Mr. WILKINSON.—I find that under the new Ordinances that difficulty is to be overcome, and I should have had much more to say on this point if I had not seen those Ordinances. I believe the Government are going in the right way to remove the difficulties existing in the way of settlement on the land in New Guinea. Our chief object should be consideration for the native races.

Mr. DEAKIN.—That has been well attended to up till now.

Mr. WILKINSON.—I think it has. Every honorable member who has any knowledge of what has taken place in New Guinea will give every Administrator of the Territory credit for that, and will recognise that the rights of the native races have been well regarded. I was somewhat surprised on reading Mr. Hunt's report to find that he speaks of the miners as being "a rather rough lot." He certainly qualified

that description of them, by admitting that on the whole they are law abiding. If there is one class of men who more than any other are assisting to develop New Guinea, it is the miners, and I do not think they can be described as a very rough lot, when it is admitted that they have worked hand in hand with the Administrators of the Territory in the endeavour to prevent the natives obtaining liquor.

Mr. DEAKIN.—Hear, hear; every white man there has done that.

Mr. WILKINSON.—That shows that these men are not a rough lot, that they have not gone there to exploit New Guinea regardless of the consequences to the natives, and that they have been influenced by considerations other than those of immediate gain. In the early days of the settlement of Australia, we know that aborigines were bought for a bottle or even a glass of rum, and if the miners of New Guinea have rendered assistance to the Administrators of the Territory, and have been successful in keeping drink from the natives, they are not a rough lot, but are men fitted to be represented in the Legislative Council.

Mr. DEAKIN.—We are choosing two diggers to be on the Council, two out of three.

Mr. WILKINSON.—Who is to choose them?

Mr. DEAKIN.—I think those chosen will have the universal approval of the diggers. I am assured that they are most representative men.

Mr. WILKINSON.—That is a question I intended to touch upon. The white population of New Guinea does not, I believe, number more than 600, and considering the hardships these men have to put up with, they should be given some voice in the selection of the members of the Legislative Council. The men who are doing pioneer work in the far-away jungles of New Guinea are, I think, entitled to more consideration than are men living here under conditions of perfect comfort. They have to put up with conditions of life perhaps harder than those to which our grandfathers were subjected in Australia.

Mr. DEAKIN.—More dangerous, certainly.

Mr. WILKINSON. — I do think that when we are constituting a body that is to make the laws under which these men must live, those who are doing the best pioneering work in Papua should be granted the right to say who shall repre-

sent them in such a body. I admit that, in the early stages of the colonization of the Possession, and in view of the way in which the white population is scattered, it is, perhaps, not possible to have a Council entirely elected by those people. There must be some nominees at first. At the same time I think that the body which is to be responsible for the making of the ordinances under which these men must live, and which will deal with their relations with the natives, should, in part, be elected by these people.

Mr. DEAKIN.—They will have three representatives; two of whom I have ascertained the miners would like to be appointed, and for whom they would vote if they had the right to elect them.

Mr. WILKINSON.—Who is to ascertain the wish of the miners in the matter? One of the reasons for which I desired to have an early discussion of my motion is that I am afraid that the Executive Council and Legislative Council will be appointed by those who are now administering New Guinea. I am afraid that the nomination of the Executive Council and the Legislative Council has all been arranged by Mr. Barton, the present Administrator, and by Mr. Hunt, who recently visited the Territory.

Mr. DEAKIN.—Not by Mr. Hunt; the Executive there have sent down a recommendation.

Mr. WILKINSON.—The white population of the Territory, who must live under the laws passed by these bodies, and comply with their conditions, should have a voice in the constitution of the Executive Council and Legislative Council of New Guinea. I refer now, not merely to the miners, because I do not think that mining will be the chief industry of New Guinea. I hope to see tropical agriculture take a leading place amongst the industries of the Possession. Mining is somewhat spasmodic. It may last a year or two, and then "peter out"; but agriculture, as we politicians are accustomed to say, is the backbone of a country. There is a tropical agriculture, which I believe will pay New Guinea, and which it will pay Australia to encourage in New Guinea. A number of agricultural products are mentioned in Senator Smith's report that I think would do well in New Guinea, and also in the northern parts of Queensland. I look to the development of agriculture more than to the development of mining to

make this Possession profitable rather than burdensome to the Commonwealth. I wish to say a word or two with regard to the climate. I have read with very much interest the report of Dr. Elkington, who has had considerable experience in India, and who is now, I believe, connected with the Health Department in Tasmania. I entirely agree with what he has to say with respect to the climatic conditions in tropical countries. We hear a great deal of talk of miasmatic fever, fever and ague, and such diseases, but I know that it was possible sixty years ago for a man to get fever and ague in Southern Australia as readily as it is at Cape York Peninsula to-day. I have known fever and ague to be as rife in the districts of Moreton Bay as it is said to be in New Guinea to-day. I saw this decaying of the health conditions of the tropical parts of Australia and New Guinea is only the "stinking fish" cry in another form. If men will but conform to proper conditions of life in these tropical countries there is no reason why they should be any more unhealthy than are the people of the southern parts of Australia and Tasmania, where consumption is a scourge.

Mr. DEAKIN.—People come here to be cured of consumption.

Mr. WILKINSON.—No; they go from here to the western parts of Queensland for that purpose. Forty years ago I knew of men trembling with fever and ague on the banks of the Hawkesbury. We had simple names in those days for what are now called miasmatic and tropical fevers, but these diseases, which are contracted in the jungles of New Guinea and in Cape York Peninsular to-day, were contracted in the Hawkesbury River, and in the districts around Sydney Harbor, many years ago. Wherever virgin soil is turned up, men who are living under pioneering conditions, and associating with natives who pay no regard to sanitary laws, are liable to contract these diseases, which, however, do not carry off anything like the number carried off in civilized communities by the white plague—consumption. According to Dr. Elkington, these diseases can very easily be dealt with.

Mr. DEAKIN.—There has been a great advance in the last ten years in the knowledge of their proper treatment.

Mr. WILKINSON.— They require merely the application of what we are gaining every day, and that is a better know-

ledge of the kind of life which men should live to render tropical countries as favorable to European life as countries possessing a more temperate climate. We hear to-day that it is suggested that Southern Europeans should be brought out to settle the Northern Territory, but I say that there is no spot on the face of the earth which the British people cannot settle as well as any people from Southern Europe. Men of the Teutonic stock from Denmark, Norway, and Sweden, and the British Islands, can stand any climate as well as can any white, black, brown, or yellow man, and can work where any of these men can work. They are doing the hardest work done to-day in tropical Australia. Who opened up these places? It was not the Chinese, the Japanese, the kanaka, or the Southern European. The men of the British race blazed the track, and these other people followed after. The men of the Teutonic stock have done this work, and they are capable of doing work to-day in any part of Australia or New Guinea that can be occupied by white men. As we have almost reached the dinner hour, I ask to be allowed to continue my speech when the debate on the motion is resumed.

Leave granted; debate adjourned.

Sitting suspended from 6.30 to 7.30 p.m.

AUSTRALIAN INDUSTRIES PRESERVATION BILL.

In Committee (Consideration resumed from 4th July, *vide* page 1039):

Clause 6—

For the purposes of the last two preceding sections, unfair competition means competition which is in the opinion of the jury unfair in the circumstances; and in the following cases the competition shall be deemed to be unfair until the contrary is proved:—

- (a) If the defendant is a Commercial Trust or agent of a Commercial Trust:
- (b) If the competition would probably or does in fact result in a lower remuneration for labour:
- (c) If the competition would probably or does in fact result in greatly disorganizing Australian industry or throwing workers out of employment.

Mr. ROBINSON (Wannon) [7.30]. — I should like some information in regard to certain aspects of this clause, which proposes to take a very great step in legislation, namely, to put the onus of proof, in certain circumstances, on the defendant. If the defendant is a commercial trust, or the agent of a commercial trust, and the

competition probably will, or does, in fact, result in a lower remuneration of labour, the onus is placed on him of proving his innocence. That is an exceedingly difficult position in which to place a defendant, and I cannot see how this clause could be given any reasonable meaning in a court of law. If a competitor used up-to-date machinery and methods, his competition might be held to lead to lower remuneration of labour. There is nothing in the clause providing that the person making the charge shall also use up-to-date machinery and methods. The clause is so framed that an employer who used obsolete machinery and methods would have grounds for prosecuting another employer who was more up-to-date.

Mr. ISAACS (Indi—Attorney-General) [7.35].—Perhaps it may assist the honorable member if I say a few words. Last night the honorable member for North Sydney suggested that somewhere in the Bill, but preferably in this clause, it should be provided that the tribunal must take into consideration the efficiency of the management and the machinery used in the industry affected. Such an amendment would operate as a corrective in the direction desired by the honorable member for Wannon. I think the provision in the clause as it stands is ample; but, as I indicated last night, I could see no objection, nor can I, after consideration to-day, now see any objection, to the suggested amendment. I have had some amendments printed, which will be circulated presently, and amongst these is a new sub-clause as follows:—

In determining whether the competition is unfair, regard shall be had to the efficiency of the management, the plant, and the machinery employed or adopted in relation to the Australian industry affected by the competition.

Mr. ROBINSON (Wannon) [7.37].—That certainly makes the clause better; and I hope that a similar provision will be inserted in other parts of the Bill.

Mr. ISAACS.—The honorable member means in the anti-dumping part?

Mr. ROBINSON.—Yes.

Mr. ISAACS.—I have no objection.

Mr. ROBINSON.—I am glad to hear that statement by the Attorney-General, because it removes a very serious objection to the Bill. Otherwise it would be possible for a man with antediluvian methods to allege that his industry was being disorganized, and his men thrown out of employment, by the more up-to-date methods of a rival.

Mr. ISAACS.—I do not quite think that would be so; but still, in order to make the matter clear, I willingly accept the suggestion of the honorable member for North Sydney.

Mr. ROBINSON.—I do not see why, in a case of this kind, we should hold a defendant guilty until he proves his innocence. I am not aware, so far as my reading goes, that there is any such provision in the Sherman Act.

Mr. ISAACS.—The Sherman Act does not deal with this branch of the subject.

Mr. ROBINSON.—Nor am I aware of such a provision in any of the Acts of the various States of the American Union. The onus of proof should be thrown on the defendant only in very grave circumstances. There is a provision to that end in the Customs Act, because the revenue of the country is at stake, and because of the difficulty of obtaining proof, which might have to be sought at the other end of the world. In the case of the present Bill, however, the provisions deal largely, if not entirely, with internal monopolies.

Mr. ISAACS.—This does not deal with internal monopolies.

Mr. ROBINSON.—It deals with the operations of people carrying on business within the Commonwealth.

Mr. ISAACS.—It deals practically with external attacks on internal industries.

Mr. ROBINSON.—I cannot see how anybody can get away from the fact that such external attacks are dealt with in Part III., the whole object of which is to prevent dumping and unfair competition. Clause 13 defines unfair competition; clause 14 provides when competition is to be deemed unfair, and the second part of the latter clause actually uses the words of sub-clauses *b* and *c* of the clause under consideration. If there is any meaning to be attached to this particular clause, it must relate to the operation of trusts within the Commonwealth. I cannot see why we should depart from the old practice of holding a man innocent until he is proved guilty. It is a practice followed in every portion of the Empire, and is only departed from, as I have said, in very grave circumstances. Why should the onus of proof be thrown on the defendant in a case of this kind? The defendant would be charged with engaging in a combination to restrain trade—with being a member of a commercial trust—and he would be called upon to prove that his competition was not

unfair. Surely it should be for the person, who alleges that the commercial trust is injuring his business, to prove his case. If the charge were true, the proofs would be within his knowledge, and could, with very little trouble, be placed before the Attorney-General, or whoever had the administration of the Act.

Mr. ISAACS.—The complainant would have to submit that proof; there is no relief from proof as to that.

Mr. ROBINSON.—The position is set up that, as the defendant is a commercial trust, his competition is unfair, and that, therefore, the onus should be on the defendant company, or agent, to prove that the competition is fair. It has been admitted by the Attorney-General and every speaker that a number of agreements, such as the coal vend, offer perfectly legitimate competition; and yet the onus of proving innocence is to be thrown on those who make such agreements. We get back to the question of where a particular trust or agent is to be tried. What earthly hope would the agent of the Newcastle coal vend, for instance, have of proving his innocence along the Gippsland line, or in any part of Victoria? It is all very well to take the view that if the competition were fair and reasonable such an agent would not be penalized; but surely the onus of proof should be on the complainant, as in ordinary criminal cases. As I have said, if the agent of such a trust were tried in some portion of Victoria, in Western Australia, or in any other place where there are coal mines, what chance would he have? Absolutely none. In the first place, his guilt in regard to unfair competition would be deemed to be a fact, and, secondly, he would be put on his defence in a place where his competitors carried on business, and where there was a strong presumption of his guilt on the part of the public, who would see that the business of the particular locality might be injured, while the business of some other place, perhaps hundreds of miles away, might be improved. In America, certain contracts in restraint of trade are illegal under the Sherman Act and other Acts, and yet it has not been found impossible, as the Attorney-General showed in his most exhaustive speech on the question, to deal as effectively with commercial trusts, as it ought to have been. Of course, it has been possible to deal with a number of them. The cases which have broken down

in America have not been in the majority of instances unsuccessful for want of proof that the competition was unfair; but because the Act of Parliament did not go far enough, or was unconstitutional in some respects. We are embarking upon new legislation which is admittedly of an experimental character, and we now have before us a provision that a commercial trust, or a man who is an agent for a commercial trust, say, a man in Flinders-street who has a plate upon his front door stating that he is agent for some one's Newcastle coal—may be brought before a tribunal, and his guilt in respect of unfair competition be assumed until he proves his innocence. Surely it is most harsh and unnecessary to have such a provision in the Bill. As to the workableness of paragraphs *b* and *c*, I have doubts. Suppose that the man who complains of unfair competition goes into the witness-box, and says that if the competition is continued probably some of his men will be thrown out of employment, or wages will be lowered in his industry. Surely it is a very arbitrary proceeding to hold the defendant guilty until he proves his innocence. Every business man, be he trader, manufacturer, or merchant, looks with a certain amount of fear on any possible competitor. He knows that a competitor who takes away any portion of his trade may reduce his profits, disorganize his industry, or lead to the lessening of the remuneration of the labour which he employs. But to hold a man guilty for an act of that kind, which is one of the inevitable consequences of competition in trade, and not in itself a criminal act, is to my mind to go to lengths to which we ought not to go. I should like to hear from the Attorney-General some reason why he thinks the circumstances are such that we should insist on the onus of proof being upon the defendant. We have done it under special conditions in other cases. We have done it to protect the revenue in cases where it is very difficult to prove that the revenue has been defrauded. Here we are not throwing the onus of proof upon the defendant for the protection of the revenue, but we are making an act a crime which has not been a crime before, and we are calling upon a defendant who is charged with a new class of offence to prove his innocence, and it may be to prove it in a place where the presumption against him would be very strong from the

start. We should have some weighty explanation from the Attorney-General as to why a defendant should be assumed to be guilty under the conditions referred to in paragraphs *a*, *b*, and *c*. I admit that there are departures from the ordinary principle in other respects; but why should we depart from it in a criminal matter of this kind, and throw the onus of proof on a defendant?

Mr. ISAACS (Indi—Attorney-General) [7.50].—It is a mistake to say that under this clause a man has only to be charged with an offence, when he will have to prove his innocence. That is not what the Bill says at all. It will have to be proved, first of all, that there is a combination, and that it is a combination of a particular kind. That will be a very difficult thing, to start with, in the case of a commercial trust. Then it will have to be proved affirmatively that the competition complained of will destroy or injure an Australian industry; and, further, that such combination is engaged in the destruction or injury of an Australian industry, with intent. Finally, it will have to be shown that the industry is one which ought to be preserved, and that the individuals engaged in the industry concerned are being attacked by the defendant—a huge body—a commercial trust—a combination of persons who have associated together for the purpose of crushing or injuring it.

Mr. JOSEPH COOK.—But in the meantime, while these things are being proved, the business of the accused will be held up.

Mr. ISAACS.—That question is immaterial to the present issue. Perhaps the honorable member will allow me to keep to the point upon which I am engaged. Having proved all those things affirmatively, all we say is that, where a single individual is being attacked unfairly by a huge trust—

Mr. DUGALD THOMSON.—The trust need not be huge.

Mr. ISAACS. — It would be huge in comparison with a single trader. If the trust is engaged in endeavouring with intent to injure or destroy an industry, we say that the defendant must show that the competition is fair. To start with, we say that it is not fair that individuals should have to meet the attacks of huge combinations. That in itself is repugnant to ordinary British fair play. Where a little man is attacked by a big man

—and by the big man here I mean a trust—and attacked with the design of crushing him, or injuring him—intent of which has to be proved by the prosecution—we simply say, “Well, we do not say that your competition is necessarily unfair, but we do say that the time has arrived when you, as a huge combination, should show that you are acting fairly.”

Mr. POYNTON.—Would it be considered unfair competition if the big trust employed machinery which was up to date, and was competing against obsolete machinery?

Mr. ISAACS.—No, it would not.

Mr. POYNTON. — That is generally the case when a big man is fighting a little one in business.

Mr. ISAACS. — I have prepared and printed an amendment embodying a suggestion made by the honorable member for North Sydney, to insert in this clause the following words:—

In determining whether the competition is fair, regard shall be had to the efficiency of the management, the plant, and the machinery employed or adopted in relation to the Australian industry affected by the competition.

I think that will meet the view of the honorable member for Grey.

Mr. POYNTON.—Hear, hear.

Mr. DUGALD THOMSON.—The Minister has omitted the word “processes.”

Mr. ISAACS.—I have no objection to put that in. We say to the Australian industry: “Whatever you do, get the best machinery you can, employ the best men you can, have the most up-to-date appliances”; and if, notwithstanding that, the Australian industry cannot live, in face of the attack made on it, without reducing the remuneration for labour, we say that that shall be deemed to be unfair competition. We also say that if, notwithstanding that the best methods are employed, and the plant is brought up to date, the competition complained of would actually disorganize and injure an industry, which ought to be preserved in the interests of the producers, workers, and consumers alike, then those who are injuring it ought to be called upon to show that their competition is not unfair. I do not think there is anything wrong or un-British in that. We do not want to shut out fair competition. There is nothing in this Bill to impede fair competition. But we have Australian industries, and we hope to have more. We seek to preserve those industries which are

of advantage to the Commonwealth generally, which are not hot-house industries, and which, looking at the interests of producers, workers, and consumers alike, ought to be preserved. If they are confronted with fair competition, they must take their chance. But they ought not to be subject to attack from unfair competition. We impose the obligation upon the prosecution to prove affirmatively the injury, the intent to do that injury, the character of the industry that is attacked—namely, that it is one that ought to be preserved in the interests of all; and then, we say, in the case of an ordinary competitor, "You have to prove from the beginning that the competition is unfair." But if there is an aggregation of capital we say to it, "You have to prove that your competition is fair." I do not think that there is anything harsh or un-British in that. It meets even the test that the honorable member for Wannon has put. It would be impossible, in the case of a huge trust, to prove that its methods of competition were unfair. Its ramifications might extend in directions where we could not follow it. It is quite different from an ordinary single trader, whose business operations we can predicate pretty well. If we have a huge concern to deal with, it is time, when we have proved all these things affirmatively, to say, "You now have to show that you are dealing fairly: if you are, you are free, notwithstanding all the injury you are doing." We propose to provide by the amendment which I have indicated, that the trust is not to be considered to be acting unfairly if the Australian industry which is being injured has not adopted efficient machinery and plant, and modern processes. I think we shall have gone far enough when we have done that.

Mr. JOSEPH COOK (Parramatta) [7.58].—The Attorney-General's statement is a perfectly fair one from the point of view from which he puts it; but, as he said, in answer to my interjection, that he preferred to take one thing at a time, I want to point out that there is one respect in which this provision is decidedly unfair. While the burden is upon those who start the prosecution, or the inquiry, to prove against the defendant all the things mentioned by the Attorney-General, yet the Bill provides that while those processes are going on the Attorney-General may hold up the business of the defendant. Under clause 10, the Attorney-General, or any person

authorized by him, may institute proceedings to restrain by injunction, not the commission of any breach merely, but the continuance of any breach.

Mr. ISAACS.—The Attorney-General has no power to deal with anything himself. He has only power to apply to the Court, and the Court will require all these things to be proved. It is not a Ministerial act. It is an application to the Court. These things would have to be proved just the same, although there is no criminal liability under the clause referred to.

Mr. HENRY WILLIS.—But the industry of the defendant will be held up in the meantime.

Mr. JOSEPH COOK.—The Comptroller-General will have power to impound the goods of the defendant.

Mr. ISAACS.—The Comptroller-General does not come under this provision at all. He has no power.

Mr. ROBINSON.—How do the operations of a particular trust come under the clause?

Mr. ISAACS.—Under this clause it is not a question of importing goods at all.

Mr. GLYNN. — The Attorney-General could apply under this part of the Bill, as well as under the other part.

Mr. ISAACS.—The Attorney-General has no power to stop any one. He can only apply to the Court.

Mr. GLYNN.—He can institute proceedings.

Mr. JOSEPH COOK.—It appears to me that under this Bill the Attorney-General or the Comptroller-General of Customs will have power to hold up the goods of the defendant and to impound them, whilst under another part of the Bill, application is made to the Court. This part of the Bill deals with foreign corporations. It is expressly intended to do so.

Mr. ISAACS.—Certainly.

Mr. JOSEPH COOK.—Part III. of the measure will operate concurrently with Part II., so that there will be nothing to prevent the Comptroller-General of Customs from impounding the goods at the time that application is made to the Court through the Attorney-General to restrain the commission or continuance of any breach of the law.

Mr. ISAACS.—The honorable member is dealing with the two parts of the Bill, which are separate and distinct.

Mr. JOSEPH COOK.—They are separate and distinct, but, I take it, may operate concurrently.

Mr. ISAACS.—We are now discussing the question of personal liability, which has nothing whatever to do with the Comptroller-General.

Mr. JOSEPH COOK.—We are discussing the question of unfair competition.

Mr. ISAACS.—Only in relation to personal liability.

Mr. JOSEPH COOK.—So far as that aspect of the matter is concerned, the explanation of the Attorney-General would be satisfactory if it were all contained in the Bill; but it has occurred to me that, while proof is being furnished, and a charge is being sheeted home against a suspected offender, other provisions may be used to hold up his business. The penalties which may be inflicted will be a mere fleabite compared with the loss which may be suffered by the dislocation of business, perhaps at a critical period.

Mr. ISAACS.—The provision relating to *prima facie* evidence does not concern the other part of the Bill, and would not help the Comptroller-General in the smallest degree. Clause 14 might; but it is independent of this provision. The Comptroller-General could not rely on clause 6.

Mr. GLYNN. — The Attorney-General could institute proceedings to prevent a man from entering into a contract under this clause.

Mr. JOSEPH COOK.—It seems to me that both parts of the Bill have been framed to be used, and that if one is found to be inapplicable the other will be brought into use. We may be sure that all the powers given under the Bill will be taken advantage of to prevent the unfair competition of foreign goods. The danger I foresee is that, while an inquiry is being made, the business affected may be held up, and innocent persons, such as farmers waiting for agricultural implements at a time of harvest, may suffer in consequence, while the affairs of the supposed offender will, in any case, be deranged.

Mr. HENRY WILLIS (Robertson) [8.4].—I agree with the honorable member for Parramatta that, during a prosecution, the business of the party proceeded against may be held up. We are told by the marginal note that clause 10 is based upon section 4 of the Sherman Act, which provides that—

The several Circuit Courts of the United States are hereby invested with jurisdiction to prevent and restrain violations of this Act, and it shall be the duty of the several district attorneys of the United States, in their respec-

tive districts, under the direction of the Attorney-General, to institute proceedings in equity to prevent and restrain such violations. Such proceedings may be by way of petition setting forth the case, and praying that such violation shall be enjoined or otherwise prohibited. When the parties complained of shall have been duly notified of such petition, the Court shall proceed, as soon as may be, to the hearing and determination of the case; and pending such petition, and before final decree, the Court may at any time make such temporary restraining order or prohibition as shall be deemed just in the premises.

Mr. ISAACS.—That has absolutely no relation to clause 6.

Mr. HENRY WILLIS.—Under clause 10, goods may be held up temporarily, pending the decision of the Court. It seems to me most un-English to provide in clause 6 that competition shall be deemed to be unfair until the contrary is proved, because in British law a man is always held to be innocent until his guilt has been proved. Under clause 6, however, an honest trader may be compelled to prove to the satisfaction of the Court that he has not been guilty of unfair competition, and, while the case is proceeding, a temporary restraining order may be obtained by the Attorney-General to hold up his business. Honest traders are to be regarded as felons merely because they are dealing in wares which come into competition with similar goods manufactured in Australia. Unfair competition, according to the clause, is competition which, in the opinion of the jury, is "unfair in the circumstances." In what circumstances? In the circumstance. I suppose, that a man is trading in goods which come into competition with Australian-made goods. Apparently, any one who does that must, under the clause, run the risk of being proceeded against, and, if unable to prove his innocence, be fined heavily, or perhaps imprisoned, at the same time being made to suffer heavy financial loss by the impounding of his goods and the holding up of his business. Competition is to be deemed to be unfair until the contrary is proved, "if the defendant is a commercial trust or agent of a commercial trust." American lawyers who have written upon this phase of the question say that the tens of thousands of persons who have put their small savings into the companies which form part of trusts are individually liable to punishment.

Mr. ISAACS.—Certainly not.

Mr. HENRY WILLIS.—The Attorney-General last night amended clauses 4 and 5 so that they now read "continues to en-

gage," instead of engages, in any combination. That makes the provision a little less stringent, but, nevertheless, any such person as I refer to, if he continues to be a member of a trust, will be liable to the penalty set forth in the measure, although, perhaps, quite innocent of the operations of the trust. Competition is the very soul of business, and has achieved the comforts which we now enjoy.

Mr. ISAACS.—Fair competition is the soul of business.

Mr. HENRY WILLIS.—Competition is not unfair unless there is an attempt—as by selling goods at a loss—to destroy a trade rival. We, on this side, have said that we shall support legislation to prevent such competition.

Mr. ISAACS.—Then why did honorable members vote against my proposal last night?

Mr. HENRY WILLIS.—We allowed a number of amendments to pass without calling for a division, and the honorable member for Lang withdrew his amendment because the principle for which we are fighting — that there shall not be unfair competition to the detriment of the public — has not yet been affirmed by the Committee. How could a widow who held shares in a company which was a member of a trust prove that she was not a member of that trust, if she were getting her revenues from it, however ignorant she might be of the nature of its operations? Competition is to be deemed unfair until the contrary is proved, also, if it "would probably, or does in fact, result in a lower remuneration for labour." The amendment of the honorable member for North Sydney, if it had been adopted, would have greatly improved the Bill. The Minister of Trade and Customs was informed by a merchant last week that articles essential to the manufacture of boots and shoes in Australia are imported, and are the production of a trust. If the importation is prohibited, the local boot and shoe industry will be crippled. It might be possible to establish in Melbourne a make-shift industry for the production of such articles as are now imported, but how could a local manufacturer compete successfully against the foreign manufacturer, with his larger output and his patented machinery, unless his employés worked longer hours and received lower wages than the hours and wages of the employé of the foreigner? But if it is impossible for a local manufacturer to compete against the goods of a

foreign manufacturer without employing his men for longer hours, and paying them lower wages than obtain elsewhere, the importer of the foreign manufacturer's goods will be liable to a heavy fine, and even to imprisonment. This legislation is supposed to be necessary in the interests of Australia and of our native industries; but surely a native industry should flourish and be able to compete successfully against foreign rivals. This infamous piece of legislation has been originated by Ministers who have lived on their professed desire to keep the industries of Australia alive, and to make this a self-contained community. Now they are taking steps which are calculated to stamp out all our industries, because they aim at preventing the introduction of the products of foreign trusts with which we cannot dispense. Paragraph c provides that competition shall be regarded as unfair "if it would probably, or does in fact, result in greatly disorganizing Australian industry and throwing workers out of employment." How is it possible for our industries to escape disorganization if the importation of the raw materials necessary for their success is prohibited? I pointed out last year that, although we produced a large quantity of leather, we had not a sufficient amount of that commodity in the higher qualities to meet the demands of the public. It would not be possible for our manufacturers to get along without importing the higher classes of sole leather, such as Kron's, and that turned out by certain English manufacturers. Furthermore, our manufacturers could not dispense with French, English, and German upper leather such as is now used by them.

Mr. JOHNSON.—They would have to use in its place locally-produced barium-loaded leather.

Mr. HENRY WILLIS. — Unless our manufacturers have opportunities of introducing the raw material required to enable them to turn out first-class articles, our industries are bound to become disorganized, and our workers will soon be walking about vainly seeking employment. Many of the articles which are in daily use by the public will increase in price to the extent of fully 50 per cent., and the whole community will be reduced to a state of desperation. Carnegie has pointed out that the American trusts conduct their operations in a country which has a population of 80,000,000, and that they can turn out

their manufactures on a very large scale. For instance, in connexion with the process of clicking in the bootmaking trade, the operatives in Australia use a knife to perform an operation which is executed in America by means of stamps. The factories in the United States are thereby enabled to turn out tens of thousands of articles in the one operation. How would it be possible for our manufacturers to compete with factories equipped upon such lines unless they had opportunities afforded to them to introduce and use up-to-date machinery? The Minister of Trade and Customs told us the other day that a certain manufacturer was permitted to use an American machine only on condition that he did not employ any English machines in the same factory. If the Bill came into operation, the manufacturer would not be permitted to introduce such a machine, and would thereby be handicapped in his operations. If up-to-date machines are not brought here, how can our mechanics improve upon them? I would mention another case. Motors are coming very largely into use in connexion with shipping and other enterprises, and yet under the Bill it would be impossible to introduce naphtha, benzine, or petrol, the fuel principally used for driving such motors. This prohibition of importations would be brought about merely in order to assist the kerosene industry of Australia. The general public would be compelled to use the Australian product, that could not be purified up to the necessary degree except at a cost probably 500 per cent. in excess of that involved in America. Therefore, it is almost inevitable that a large number of the motors and engines referred to will be thrown out of use. Then again, industry will be much hampered if those who desire to use as fuel residual oil, which is much cheaper than coal, are unable to procure that article. Mining operations cannot now be carried on in many parts of the back country, because of the expense attaching to the use of coal as fuel. If, however, plentiful supplies of oil were available, the difficulty would be overcome, and many of our mineral deposits which are not now being exploited would yield an appreciable addition to our wealth. Under the Bill, any person who attempted to introduce oil or naphtha would be punished. Moreover, the importation of motors would be prohibited, and this would operate to the disadvantage of

Mr. Henry Willis.

the local manufacturers, who would have no opportunity of keeping themselves up-to-date by observing the improvements effected by American and other motor makers. Buildings have been erected and plant installed at Double Bay, on the shores of Sydney Harbor, with a view to the manufacture of motor cars, but I am afraid that that industry will never be permitted to make a start, and that hundreds of men will be denied an opportunity to obtain profitable employment. Moreover, the members of the public, such as bakers, butchers, laundrymen, and travellers, who would be inclined to use motor cars for commercial purposes, will be prevented from doing so. The Bill will prove an insurmountable obstacle to many persons who, but for the difficulties placed in the way, would take steps to establish industries which would prove advantageous to the community as a whole. What man would run the risk of being subjected to twelve months' imprisonment and a fine of £1,000? Who would face the possibility of having his goods impounded, or forfeited, in the manner that the Bill provides for? It seems to me that this is ruinous legislation, and that the provisions of the Bill have never been properly thought out. There is no precedent for them. If the Attorney-General had been content to work upon the lines of the legislation that has been passed in the United States, and to accept the suggestions that have been made from this side of the Chamber, the public would have been protected against injury at the hands of destructive trusts, and, at the same time, would have been left free to engage in legitimate trading operations without being hectorred and worried by a number of vexatious provisions. The Attorney-General, in his endeavours to improve on the American legislation, has lost sight of the fact that, whereas we have only 4,000,000 of people, the United States have a population of 80,000,000. The Americans are able to produce all that they require, and are practically a self-contained community. Honorable members have only to read the speeches of Mr. Chamberlain in order to realize the great strides that America has made, and what she is doing to-day, as compared with what she was able to accomplish a few years ago.

Mr. ISAACS.—They would realize what is being done by the United States under protection, as compared with what was possible under free-trade conditions.

Mr. HENRY WILLIS.—The Attorney-General is endeavouring to apply the principle of prohibition, but he should remember what prohibition has done for America. The Minister of Trade and Customs told us that the American manufacturers were making the home consumers pay from 10 per cent. to 50 per cent. more for their products than they charge to their customers in Australia. They are able to do this owing to the high protective duties to which the Attorney-General has referred. This Bill is of a destructive character, and is no credit to the Attorney-General. I am surprised that a gentleman of his reputation should sit here and put forward such proposals, making concessions only when he is convinced against his will by members of the Opposition. The measure will inflict a grave injustice upon the very industries upon his solicitude for which the reputation of the Attorney-General has been largely based.

Mr. KNOX (Kooyong) [8.29].—Ministers promised that when we reached clause 6 we should have explained to us the exact meaning of "unfair competition." I must admit that the Attorney-General's explanation would remove a number of objections if it were possible to attach it to the Bill. Under this clause, however, unfair competition is to be determined by a jury, that is not to be even a special jury.

Mr. ISAACS.—An amendment has been circulated which provides for a special jury.

Mr. KNOX.—I was not aware that such an amendment had been circulated. Will the Attorney-General inform me whether a person against whom a charge had been preferred would have the right to challenge any members of the jury which was to hear his case.

Mr. ISAACS.—Of course he would. Here is a copy of the new clause which has been circulated for several days.

Mr. KNOX.—That disposes of my first objection. The only other point to which I desire to direct attention relates to unfair competition. I find that under this clause competition is to be deemed unfair until the contrary is proved—

- (a) If the defendant is a commercial trust or agent of a commercial trust;
- (b) If the competition would probably or does in fact result in a lower remuneration for labour;
- (c) If the competition would probably or does in fact result in greatly disorganizing Australian industry or throwing workers out of employment.

The Attorney-General, I suppose, more than any other honorable member of this Committee, is brought closely into contact with the business men of Melbourne, and he must know that the effect of these provisions will seriously hamper commercial enterprise. Whatever his political views may be he surely must recognise that to throw the onus of proof upon the individual or upon the commercial trust which is being attacked—

Mr. ISAACS.—The clause does not throw the onus of proof upon the individual, but it does throw it upon the commercial trust. How many commercial trusts are there in Melbourne, or indeed throughout Australia?

Mr. JOSEPH COOK.—Hence the urgency for this Bill.

Mr. KNOX.—Seeing that both the Attorney-General and the Minister of Trade and Customs have admitted that the legislation proposed is of an exceedingly drastic character, the course which is ordinarily followed in British communities, so far as accused persons are concerned, might surely be continued.

Mr. ISAACS.—It is being continued.

Mr. KNOX.—It is not. The clause provides that in the cases which I have cited, competition shall be deemed to be unfair until the contrary is proved. When a prosecution is originated, I maintain that its authors ought to be in a position to show reasons for their action. Nobody knows better than does the Attorney-General how much a business may be injured by the stigma which may possibly attach to it as the result of any action at law. It has been very well said by one honorable member that the fines which may be inflicted under the Bill—altogether apart from the penalty of imprisonment—constitute a very small matter as compared with the serious loss which may be occasioned by the dislocation of business consequent upon a charge being preferred against any particular individual. I therefore ask the Attorney-General to consider the wisdom of excising from this clause what is universally regarded as a grossly unfair principle. Under its provisions the onus is upon the accused person to refute the charge that is being preferred against him. If that principle were eliminated much of the fear and distrust which have been created by this Bill might be removed. The procedure contemplated is a most un-British one. I am perfectly aware that the same form of

expression is embodied in our Customs Act, but there the reference is to specific articles. I appeal to the Attorney-General to remove from the Bill this undeniable blot, which would enable a charge to be preferred against an individual, to the permanent loss and dislocation of his business, without any justification whatever.

Mr. JOSEPH COOK.—As the Bill stands, any individual may sue for treble damages in the Court.

Mr. ISAACS.—The Minister of Trade and Customs has given an undertaking that he will remedy that.

Mr. KNOX.—In view of the marvelously complicated character of this legislation, and of the impossibility of following its ramifications to finality, I hold that more adequate provision should be made for the protection of defendants than that which is proposed.

Mr. ISAACS.—The defendants of whom the honorable member speaks, are the commercial trusts which have banded themselves together for the purpose of destroying other people.

Mr. KNOX.—There is not a single member of this Committee who would defend the operations of destructive commercial trusts which were bent upon destroying local industries. But the Attorney-General has already stated, by way of interjection, that these trusts are very few in number. That being so, they must be specifically known.

Mr. ISAACS.—They are not specifically known, but they are very few.

Mr. KNOX.—Is not that all the more reason why the Bill should contain a clear declaration as to the manner in which litigation shall be instituted, and malicious action prevented? The Attorney-General has said that Part II. and Part III. of the Bill, which relate to the repression of monopolies, and the prevention of dumping respectively, are absolutely distinct. If that be so, in view of the great magnitude of the interests which are involved, I claim that the matters in question should have been dealt with in two separate Bills. Either the whole measure is unimportant, or it is of the greatest importance.

Mr. ISAACS.—The reason why we embodied the two parts in one Bill is, that we wanted to preserve Australian industries.

Mr. KNOX.—But the measure is also intended to accomplish another purpose.

Mr. ISAACS.—Both portions of the Bill are necessary to preserve Australian industries.

Mr. KNOX.—My chief purpose in rising was to appeal to the Attorney-General to remove from the Bill the blot to which I have referred, which is calculated to do serious injury to many who are engaged in concerted work.

Mr. ISAACS.—The Bill merely throws upon persons who are bent upon attacking other people the onus of justifying their conduct.

Mr. KNOX.—When the action has been concluded, it may be found that the author of the attack is a man of straw, and, therefore, unable to pay damages, notwithstanding that he may have inflicted enormous loss upon the body which he has attacked. It is very difficult indeed for a lay member of the Committee to suggest amendments, but I maintain that we are justified in asking the Government to seriously consider the desirability of removing the impression which is abroad that this Bill is intended to crush successful organizations as such. At any time any person, however unimportant, may institute an action which will subject the persons charged to irritation and annoyance. If it is right that the persons charged should be subjected to such annoyance, there can be no objection, but the matter ought not to be left in such a way that the unfortunate man must himself justify his position. I respectfully submit that this is a point which the Attorney-General, as the adviser of large commercial associations, will admit requires consideration.

Mr. GLYNN (Angas) [8.46].—I do not know of any amendments which will not really touch the foundation of the Bill, the acceptance of which can matter very much. We have carried a series of amendments which seem to modify the provisions of the measure, but which, in very few instances, affect them at all. Last night we substituted for the words "with the design of" the words "with the intent to." There is no difference in the effect of these expressions, nor will it make the very smallest difference whether they are in or not. So long as the competition is proved to be unfair, design or intent will be presumed. We seem to be getting a number of concessions from the Government which really amount to nothing at all. The Attorney-General

last night jumped at an amendment suggested by the honorable member for North Sydney. When he accepted it this evening, the honorable and learned gentleman seemed to be in a conciliatory mood, and to be giving us something, but it will not make the smallest difference in the clause, because the obligation is upon the jury to say whether the competition is unfair "in the circumstances." One of the circumstances they will have to consider is involved in the matters referred to in the amendment suggested by the honorable member for North Sydney, but all these matters are to be taken into account in determining whether competition is unfair, and the whole range of factors which might affect their decision are embraced within the words "in the circumstances." Looking at clause 6, I do not know that we can make very much difference in it without affecting the policy of the Bill. We might strike out paragraph *a*, which really contains the sting, though the other paragraphs may appear to be more noxious to us at first glance. But if we do that we shall be hitting at the policy of the Bill, which is to assume that a combination is in itself bad, altogether apart from its operations; that is to say, a combination as defined in this Bill. "Commercial trusts are bad," is what the Bill practically says. It does not wait for their operations to prove that they are bad. It assumes it. The offence is entering into a contract. A commercial trust is defined as being established when you enter into a contract of a certain character, and it is assumed that everything else here dealt with will follow as the result of its operations. Assuming that that principle is right, I do not see how we can amend paragraphs *b* and *c*. The prosecuting counsel will have to prove that the competition would probably, or does in fact, result in a lower remuneration for labour. That is to say, the jury will have to be convinced of that fact, and it is only then, or on evidence being given to the jury from which that deduction might follow, that the defence that it is not unfair competition comes in.

Mr. DUGALD THOMSON.—But is it the contrary of that that has to be proved?

Mr. GLYNN.—I think that on a fair reading of the clause the Crown will have to prove that the competition would probably, or does in fact, result in a lower remuneration for labour.

Mr. ISAACS.—That is so, but that does not conclude the matter.

Mr. GLYNN.—No, there is then thrown upon the defence the onus of showing that the competition is not unfair. As soon as a *prima facie* case is established by the Crown in the terms of paragraphs *b* and *c*, then the defence will have to be that the competition is not unfair. It is an extraordinary Bill, there is no doubt about that. It will lead to all sorts of perplexities and—and for this many of the lawyers may be able to say "Thank Providence!"—to all sorts of lucrative wrangles.

Mr. JOSEPH COOK.—It will be a good thing for members of the honorable and learned member's profession.

Mr. GLYNN.—No doubt. This Bill seems to be incorrigible. You cannot touch it without hitting it right in the centre. It is impossible to amend it. It seems to me that it is like a certain Shakspearian character, Parolles, of whom it was said:—

He hath out-villained villainy so far, that the rarity redeems him.

The Bill secures itself immunity from amendment by its very absurdity. One has almost to get up and apologize for being critical when one does not come in with an armful of amendments. The only amendment I could suggest would be the striking out of paragraph *a*; but if we were to do that, I am afraid the Attorney-General would consider that he had a lop-sided Bill. The word "probably" might be struck out of paragraph *b*. It is a tremendous discretion to give to the jury. I do not know what "probably" will mean. The phrase used is "probably result in lower remuneration for labour." Suppose that in the various States there are arbitration awards in force, or awards of the various boards appointed to fix wages; within what time must this "probably" be effective by competition? What anticipation of the proximity or remoteness of its effect must the jury have where an arbitration award as to wages is in existence, or where the wages have been fixed by boards? The wages may be all right, but capital might be struck. There might be an attack upon some of its profits—but labour will be secured by the awards referred to. Is the clause, then, to be operative, or does the mere possibility that ten years, or two years, afterwards labour might be affected by the competition in the meantime give jurisdiction to the jury to say that it is competition which will "probably result," some time or another,

"in a lower remuneration for labour?" Then, again, to show what an extraordinary Bill this really is, the Attorney-General himself seemed doubtful whether clause 10, which he says applies to this part of the Bill, does not apply to the other part also.

Mr. ISAACS.—I have no doubt on the point.

Mr. GLYNN.—I thought the honorable and learned gentleman said that it did not apply to this part.

Mr. ISAACS.—No. Clause 14, I said, does not apply to this part.

Mr. GLYNN.—I must have misunderstood the honorable and learned gentleman. But it is due to the extraordinary way in which this Bill is drawn. Its application may be to the two clauses we have not yet dealt with which, as dealing with operations, bring us into the region of common sense, so far as common-sense may be alleged in connexion with this Bill. It might apply to clauses 4 and 5, which deal purely with entering into a contract and intending to do something, because the offence is entering into the contract. Under this, the Attorney-General might institute proceedings to stop a man entering into a contract, which is an extraordinary application to be made to a Court of Justice. I suppose we must be satisfied. We are here in a dual capacity.

Mr. JOSEPH COOK.—The product or article is dealt with in precisely the same way in both clauses.

Mr. GLYNN.—However, there may be some means of amending this in such a way as to make it a little more palatable; but, so long as the principle remains, one is disarmed by the futility of any attempt to amend it.

Mr. JOHNSON (Lang) [8.58]. — The honorable member for Kooyong very correctly described this clause as a blot on the Bill, but he might with even greater accuracy have described the whole Bill as a blot. It is a blot upon the intelligence of those who are responsible for its introduction. It would be a blot upon any Parliament that would accept it in its present form, and a blot upon the community that would return legislators capable of such a stupendous piece of blundering and idiotic legislation. In speaking on the second reading, I objected to this portion of the Bill on the ground that it would reverse an accepted principle of British jurisprudence, by throwing the onus of proof of innocence upon the person accused.

A person accused under this Bill is deemed to be guilty until he is able to prove his innocence. Hitherto, under all accepted notions of British justice, even the greatest criminal has always been assumed to be innocent until his accusers have proved him to be guilty.

Mr. PAGE.—The same thing happens under the Customs Act.

Mr. JOHNSON.—In all the legislation with which the members of the present Government have had anything to do in this Parliament this fundamental principle of British justice has not only been ignored, but has absolutely been reversed. In these enactments we insist upon presuming guilt merely upon an accusation which there might not be the smallest tittle of evidence to support, and the person assumed to be guilty must rest under the stigma of guilt during the whole of the time he is under prosecution, and until his innocence has been established by himself. Clause 6 provides that—

For the purpose of the last two preceding sections unfair competition means competition which is, in the opinion of the jury, unfair in the circumstances; and in the following cases the competition shall be deemed to be unfair until the contrary is proved—

(a) If the defendant is a Commercial Trust or agent of a Commercial Trust.

In connexion with that, I should like to direct the attention of the Committee to the fact that it was emphasized yesterday by the Attorney-General, when we were dealing with clauses 4 and 5, that it is not only necessary that the defendant shall be a commercial trust or the agent of a commercial trust, or a combination, but as the honorable and learned gentleman pointed out to-night, it must be shown by the prosecution, first of all, that the defendant is a combination, next a combination of a particular kind; again its competition must be such as to injure or destroy, and the combination must be brought together with the intent to do something in the direction of injuring an Australian industry to the detriment of the public.

Mr. ISAACS.—No; "an industry the preservation of which is advantageous to the Commonwealth, having regard to the interests of producers, workers, and consumers." The expression "to the detriment of the public" refers to the other clauses, and has nothing to do with a commercial trust under paragraph a of this clause.

Mr. JOHNSON.—But this clause operates in connexion with the two preceding clauses.

Mr. ISAACS.—Only with respect to the part that refers to unfair competition, and is only refers to the first sub-clause.

Mr. JOHNSON.—So far as I could understand the position yesterday the gravamen of the charge rests upon the question whether the competition is to the detriment of the public.

Mr. ISAACS.—No.

Mr. JOHNSON.—Then my recollection must be at fault. I can only say that it seemed to me that that was clearly the impression conveyed.

Mr. ISAACS.—I assure the honorable member that he is under a misapprehension.

Mr. JOHNSON.—I accept the Attorney-General's assurance, and I point out that if it were so it would be necessary, under this clause, for the defendant only to be a commercial trust or the agent of a commercial trust to be brought under the penal clauses of the Bill.

Mr. ISAACS.—The honorable member will recollect that when the matter was under discussion, and the honorable member for Echuca moved his amendment, it was pointed out that it would not make the slightest difference in the world under paragraph *a* of the clause then under discussion whether the defendant was a commercial trust or not.

Mr. JOHNSON.—The defendant, as a commercial trust, or the agent of a commercial trust, will, by reason of that very fact, be deemed guilty of unfair competition.

Mr. ISAACS.—The honorable member will recollect that the honorable member for Wentworth very clearly pointed out that that question is not affected by paragraph *a*.

Mr. JOHNSON.—Then what is the meaning of the words—

and in the following cases the competition shall be deemed to be unfair until the contrary is proved :—

(a) If the defendant is a Commercial Trust or agent of a Commercial Trust.

Mr. ISAACS.—That relates to paragraph *b*, and not to paragraph *a* of the preceding clause.

Mr. JOHNSON.—It relates, as far as I understand it, to the clauses dealing with unfair competition, and makes the defendant subject to the penalties attaching

to unfair competition. I accept the explanation of the Attorney-General; but in regard to this portion of the clause, which throws upon the defendant the onus of proving his innocence, I point out that, as soon as a commercial trust attempts to come into competition with any local industry, proceedings may be taken before the Court. As the Attorney-General has pointed out, it then rests with the prosecution to show, first, that it is a combination, next that it is a combination of a particular kind intended to injure, destroy, or adversely affect an Australian industry.

Mr. ISAACS.—And further, that the industry which the combination is affecting, or seeking to affect, is one that ought to be preserved. All that has to be proved affirmatively and substantively by the prosecution.

Mr. JOHNSON.—While all this is being proved the defendant's business is liable to be "held up."

Mr. ISAACS.—No.

Mr. JOHNSON.—But I say yes. In the meantime the defendant is to be put to all the annoyance, inconvenience, and expense of attending a Court, not necessarily because he is guilty of any offence, but simply because on him lies the onus of showing that he is not committing, has not committed, or does not intend to commit, a law-manufactured crime. It will be admitted that this is not a natural crime, but that whatever criminality there is in it is manufactured by legislation. The defendant is not only subjected to this inconvenience and loss, but his business is liable to be "held up" under provisions in another part of the Bill.

Mr. ISAACS.—The defendant, of course, is a great commercial trust!

Mr. JOHNSON.—Or the agent of a commercial trust. It has been shown that a commercial trust does not necessarily exist for an evil purpose, but may have been formed with quite a different object, and be beneficial in its operations.

Mr. ISAACS.—Then it will not come within the Bill.

Mr. JOHNSON.—That has to be proved by the commercial trust or the agent: and while all this is going on the Minister of Trade and Customs may take certain action under clauses 15 and 16.

Mr. ISAACS.—No.

Mr. JOHNSON.—I take it that this part of the Bill affects what is known as

dumping, which, of course, is mainly dealt with in other portions of the measure. So far as I understand the matter, those other portions of the Bill, and the clauses now under consideration, will be read together. My object is to show what might be done under the Bill, and if I am wrong the Attorney-General will correct me.

Mr. ISAACS. — Those other portions of the Bill will not affect the question dealt with in clause 6.

Mr. JOHNSON.—While the Court is being moved for the purpose of making a defendant prove his innocence of unfair competition, further action may be taken in another quarter. Under clauses 15 and 16 the Minister of Trade and Customs may "hold up" the business of the accused person. Clause 16 provides:—

From the date of the *Gazette* notice until the report of the Board has been dealt with by the Governor-General, goods the subject of the investigation shall not be imported except upon such security and subject to such conditions as the Minister approves; and those goods shall, if imported in contravention of this section, be deemed to be prohibited imports within the meaning of the *Customs Act 1901*, and the provisions of that Act shall apply to the goods accordingly.

Does that not relate to the clause under discussion?

Mr. ISAACS.—Not in the smallest degree.

Mr. JOHNSON.—Not while the defendant is the subject of a prosecution?

Mr. ISAACS.—No.

Mr. JOHNSON.—Well, I think it does. We are now practically dealing with the question of dumping, or, at any rate, with foreign competition. The Attorney-General shakes his head, but we have had experience of assurances, not only from the Attorney-General, but also from the Minister of Trade and Customs, which have not afterwards been verified. We were assured by those honorable gentlemen that under legislation passed by this House certain things would not happen—I refer particularly to the Commerce Bill, and yet those very things which we on this side prophesied have occurred.

Mr. ISAACS.—Have they occurred?

Mr. JOHNSON.—Yes.

Mr. ISAACS.—What has occurred?

Mr. JOHNSON. — I refer particularly to the question of grading.

Mr. ISAACS.—What has occurred?

Mr. JOHNSON.—I have a very vivid recollection of the matter.

Mr. ISAACS.—What has occurred?

Mr. JOHNSON.—I shall tell the Attorney-General what has occurred if he will not be so impatient in his interruptions. I am not a defendant under a legislatively-manufactured criminal charge. When the Commerce Bill was before us, the question was raised by the honorable member for North Sydney as to whether the measure did not aim at grading. The Minister of Trade and Customs then gave an assurance that there was no intention to do anything in the nature of grading, and the Attorney-General expressed the opinion that the Minister would have no power under the Bill to grade—in fact, the Attorney-General was sure there was no power.

Mr. ROBINSON.—The Vice-President of the Executive Council gave his word of honour that it would not be done.

Mr. JOHNSON.—At the time to which I am referring, the Attorney-General said that in his opinion the Minister of Trade and Customs would have no power to deal with the question of grading; and yet we have seen an attempt made by regulation with that object in connexion with the administration of the Commerce Act.

Mr. ISAACS.—Nothing has happened.

Mr. JOHNSON.—But it was attempted by the Minister. If nothing has happened, it is only because of protests by deputations of persons interested, who have shown the impracticability of the proposal—an impracticability which was pointed out by honorable members on this side when the Bill was under discussion. I am merely showing that, whilst the assurances were, I believe, honest expressions of opinion by the Ministers at the time, the Attorney-General, with all his legal knowledge and astuteness, is liable to the same mistakes as are some of us less fortunately gifted mortals. However, I am pleased that this clause is to be amended and improved in some respects, and that in the test of unfair competition due regard will be paid to superior processes, more efficient management, and so forth.

Mr. ISAACS.—Here is the new sub-clause which I intend to propose.

Mr. JOHNSON.—I see that the proposed new sub-clause reads—

In determining whether the competition is unfair, regard shall be had to the efficiency of the management, the processes, the plant and the machinery employed or adopted in relation to the Australian industry affected by the competition.

Mr. KELLY.—The whole matter is covered by the words “in the circumstances.”

Mr. JOHNSON.—Yes; but I intend to submit an amendment which may get over the difficulty. I am glad that the Attorney-General has accepted the suggestion of the honorable member for North Sydney in regard to these matters. Had that suggestion not been accepted, there is not the slightest doubt we should have fast drifted into the condition of a nation of troglodytes—we should have drifted back to the dismal depths of the dark ages, and, with the rest of the world advancing as the result of inventions and improved machinery, we should, at no distant date, suddenly have awakened to the fact that we were a thousand years behind the times. Happily, such a result is to be, to some extent, guarded against by a due regard to those developments and methods which make for increased production, so that their introduction shall not be held to constitute unfair competition within the meaning of the Bill. As I said before, all competition, by its very nature, must be more or less regarded as unfair, if by “unfair competition” is meant competition which injures a rival. I know of no competition which does not in some way or another injure a competitor. For instance, take the case of motor 'buses and motor cars, which supplant at once a mode of conveyance to which we have hitherto been accustomed. Motor 'buses and cars replace vehicles drawn by horse traction, and by-and-by perhaps air ships will replace other existing modes of transit. On Thursday next, I understand, we are to be invited to witness an exhibition of wireless telegraphy. That system of telegraphy is a new invention, which comes into competition with the existing system. I merely point this out in order to show that all competition might be deemed unfair under the Bill if it injured in any way existing trades, industries, professions, or, in fact, any means of livelihood. The very object of wireless telegraphy is to destroy ordinary telegraphy by the use of wires. All the industries which depend upon wire telegraphy would be affected by it. Yet there is no honorable member but will welcome Marconi's invention as one which will benefit the whole human race. Let us see how wireless telegraphy will affect other industries. It will affect the industry of cutting down trees and the preparation of poles to hold the tele-

graph wires; the industry of putting those poles into position; the industry of extracting from the earth the metal from which the wire is made; the industry of the wire-makers; the industry of those who stretch the wires on the poles; and the industry of the maintenance men. Right throughout the whole gamut of industries which are associated with wire telegraphy, the new invention will have an injurious effect. Yet we who are legislating for the purpose of preventing competition are next week going down to Queenscliff, at the invitation of a foreign firm, for the express purpose of seeing this new invention in operation, with a view to its adoption in Australia. We do absurd things. With the one hand we set up a system, and with the other we knock it down. An ordinary contractor who puts in a tender to do certain work injures his competitor who is unsuccessful. He has no desire to advance the interests of his rival. All competition judged by the same standard can be shown to be unfair. The very competition of schoolboys for prizes is in the same category. Competition in the football and cricket field have the same effect; and so it is in every walk of life. Let honorable members consider paragraph c—

If the competition would probably or does in fact result in greatly disorganizing Australian industry or throwing workers out of employment. How is the question of probability to be determined?

Mr. ISAACS.—The object is that you are not to wait until the industry is absolutely destroyed, but that you are to prevent its destruction if you can.

Mr. JOHNSON.—Will it only be necessary for the complainant to state that he has reason to believe?

Mr. ISAACS.—No; he will have to prove the fact. Whatever difficulty there is there would rest on the prosecutor.

Mr. JOHNSON.—It would not be a difficult matter to prove, by means of such dodges as we have already seen resorted to in Victoria, and yet there would be a considerable amount of justifiable doubt in the minds of some people as to whether a particular industry would really suffer as the result of the competition. And while the prosecutor is proving his case the unfortunate defendant will have his business hung up, and be subject to all the annoyance, inconvenience, and pecuniary loss attached to establishing his innocence.

It is an iniquitous and unfair proposal in every possible way. I desire to move, as an amendment—

That the words "which is in the opinion of the jury unfair in the circumstances," be left out, with a view to insert in lieu thereof the words "in which unjust or dishonest means are employed for the purpose of destroying or injuring any industry."

In order to test the point, I move, first of all—

That the words "which is," lines 2 and 3, be left out.

Mr. KELLY (Wentworth) [9.28].—I think that if the Attorney-General accepts the amendment which has just been moved by the honorable member for Lang, we shall have done something to erase a blot upon this measure. As we are proceeding through this Bill, it becomes more and more evident that it has been designed for political purposes, and as a political placard. In this respect the Government seems to have followed in the footsteps of the United States. I have here a work by Von Halle, who is recognised as an economist of the first order, on the recent anti-trust legislation of the United States. This is one of the conclusions at which Von Halle has arrived in this regard. He writes—

Meanwhile, the repeal of the present anti-trust legislation seems desirable. Passed as they were merely for political purposes, even those politicians who sought by their passage to soothe the popular feeling did not expect them to be complied with. And the multiplicity of laws of such a character is a great danger to the community.

That is exactly what we are beginning to realize as we go through this Bill.

It explains to a large extent the astonishing immorality in politics and in the political thought of large classes.

I recommend this to the earnest consideration of honorable members—

The necessity of circumventing so many laws because they prescribe things simply impossible must in the long run undermine the sense of legality and respect for law.

Such are the well considered opinions of an American economist upon the United States anti-trust legislation, from which we have been told this Bill has been copied. We have now arrived, as honorable members who have preceded me have said, at a very crucial point in this Bill. Up to the present moment the ordinary English principle of considering a man to be innocent until he is proved to be guilty has obtained. We are now making a departure

from this principle of British liberty. What causes are there for this change? Who is it that will have to prove his innocence? We are told that competition shall be deemed to be unfair until the contrary is proved, if the defendant is a "commercial trust or the agent of a commercial trust." What is a "commercial trust" under the Bill? We are concerned, not with the usual acceptation of the term, but with its meaning as defined in the Bill. According to the interpretation clause, any combination of persons, any ordinary financial institution, any company, or, I might almost say, any partnership, is included in the term. Commercial trust "includes a combination of separate and independent persons whose voting power or determinations are controlled or controllable by an agreement"—does not that include a partnership?—"or by a board of management or its equivalent." Does not that include a joint stock company, or any company or financial or other institution? Any possible combination of business men, however harmless, may be compelled, under clause 6, to prove their innocence of "unfair competition" "in the circumstances." Who is to decide what is unfair competition in the circumstances? I suppose that by unfair competition is meant destructive and harmful competition. Is the Judge and jury to consider the effect of competition in all its aspects, or only in its relation to the industry which complains that it is detrimentally affected? Let us take some illustrations, to show the difficulties which the clause creates. A merchant importing timber is undoubtedly detrimentally affecting the industry of the timber-getters of Australia, but, by lowering the price of timber in this market, he is benefiting a still larger section of the community—those interested in the building trades. If the timber-getters brought an action against an importing timber merchant, could the Judge and jury consider the effect of the competition upon the building trades? Apparently, under the clause, they would be bound to confine themselves to its effect on the industry of the timber-getters. In this world every one lives on some one else. Money does not pour down from the heavens, and the man who is doing well in an industry is prospering at the expense of some one else engaged in that industry. Therefore, under such circumstances, the Court must decide against the importer every time. Let us take another illustration. The importation of Javanese sugar

detrimentally affects the cane-growers of this country, though it is of advantage to certain refineries. I do not refer to the Colonial Sugar Refining Company in this connexion, because I understand that they do not use Javanese sugar.

Mr. PAGE.—How long has that been so?

Mr. KELLY.—I am not speaking from intimate knowledge, but I believe that, as a rule, they do not use Javanese sugar.

Mr. DUGALD THOMSON.—They use it when the Australian supply does not meet their requirements.

Mr. KELLY.—No doubt; but that is not often. I would point out that there is a big Melbourne firm, which has lately extended its operations to Sydney, which imports Javanese sugar, and, in doing so, detrimentally affects the cane-growers of Australia. If that firm were proceeded against for unfair competition, would the Judge and jury be compelled to confine their attention to the effect of the competition upon the local sugar industry, or should they pay consideration to its effect upon the jam and confectionery industry, which is, perhaps, benefited by the importation? To give a third illustration, which vitally affects a Melbourne industry. Piece-goods are admitted on payment of a very low duty, and, no doubt, seriously compete with local manufacturers; but, on the other hand, the large clothing factories of Melbourne reap an inestimable benefit from the arrangement. Under the clause, however, if the importers were accused of unfair competition, the Judge and jury would have to confine their attention to the effect of the competition on the local industry, and, in pronouncing against the importers, would be injuring the clothing industry, while endeavouring to protect the piece-goods industry. This provision is an absolute blot on the measure. We require a definition of unfair competition. In the Bill it is left to a jury to decide what competition is unfair. No doubt the measure will also be used in a general way to strike at big concerns. Is it not likely that a jury, impanelled to try a case in which the defendant may be a large and wealthy corporation, on whom is thrown the onus of proving innocence, while the plaintiff is some person not so well off, will, following the usual practice of juries, give a sympathetic verdict against the richer party? The Attorney-General knows how railway companies and Governments fear litigation,

not because of the merits of the claims brought against them, but because juries are always disposed to award damages against them, knowing that the losers are impersonal concerns. Similarly, juries will be likely to give their verdicts against the big concerns prosecuted under this clause. Is it fair, under these circumstances, to depart from the accepted principle of British law, and hold a party guilty until he has proved his innocence? It appears to me that we are not so much hitting at the harmful development of trade, as endeavouring to strike a blow at successful enterprise, for the mere reason that it is successful.

Mr. ISAACS.—We are endeavouring to strike a blow at the successful enterprise of the garroter.

Mr. KELLY.—The Attorney-General must imagine, for the moment, that he is on the public platform. He cannot think that an interjection of that kind will be treated seriously by the Committee.

Mr. HENRY WILLIS.—The honest trader is being called a garroter now.

Mr. KELLY.—That is the cult of the Socialists.

Mr. ISAACS.—It is the man who is trying to strangle the honest trader that I call a garroter.

Mr. KELLY.—Yesterday, the Attorney-General was anxious to insert words making it incumbent on a plaintiff, where action in restraint of trade was charged, to prove design, and I pointed out that such proof was practically impossible, and that if the amendment were agreed to, no commercial trust could be brought to book for having entered into a conspiracy in restraint of trade. Now the honorable and learned gentleman tells us that he desires to garrote the garroter. Such inconsistencies as that, appearing clearly in the pages of *Hansard*, will be a more effective argument against the Bill than any catch cry uttered by way of interjection.

Mr. ISAACS.—The inconsistencies are in the speech of the honorable member.

Mr. KELLY.—This legislation will have the effect of penalizing successful industry. I remarked with interest the difficulty which the honorable and learned member for Angas had in suggesting an amendment of the clause. In speaking on the second reading, I urged as a reason why the Government should reconsider the measure as a whole, that it would be found impossible to amend it in Committee in regard to an

vital provision, because of the consequential amendments which would be necessary by reason of the manner in which the Bill had been drafted.

Mr. DUGALD THOMSON.—The Attorney-General has had a difficulty in providing for amendments.

Mr. KELLY.—Yes. The Government have circulated about six pages of proposed amendments which they wish to move.

Mr. ISAACS.—We are trying to meet all reasonable objections.

Mr. KELLY.—The six pages of proposed amendments are to meet objections in regard to other than vital provisions.

Mr. ISAACS.—Does the honorable member object to our action?

Mr. KELLY.—Not in the least; but the fact that the Government have to propose pages of amendments in order to put the Bill into reasonable shape, shows how ill-considered the measure has been. I am glad, however, that they are trying to put it into a reasonable shape. If the Attorney-General will not abandon the clause, I trust that he will amend it so that it will not be open to the enormous abuses I have indicated. In the first place, I think that paragraph *a* should be omitted, because it would throw the onus of proving its innocence upon every kind of financial institution.

Mr. ISAACS.—If the honorable member turns to the definition of "commercial trust" he will see that he is wrong.

Mr. KELLY.—I find that according to the definition "commercial trust" includes "any combination of persons whose voting powers are controlled or controllable by an agreement." I would ask honorable members whether any two persons acting in partnership would not have their voting powers controlled by an agreement. It is further provided that a combination whose voting powers are controlled or controllable by a board of management or its equivalent shall be regarded as a commercial trust. I ask whether any seven or more persons forming themselves into a company, and creating a board of management or its equivalent would not constitute an ordinary joint stock company, and whether this interpretation of "commercial trust" does not show that absolutely any combination of persons, whether in the form of a company or otherwise, would be regarded as a commercial trust, and be liable to be penal-

ized in the way I have indicated. If the Attorney-General will not delete paragraph *a*, I suggest that the word "probably" should be excised from paragraphs *b* and *c*. It is provided in paragraph *b* that competition shall be deemed unfair "if it would probably, or does in fact, result in a lower remuneration for labour." We find by reference to the interpretation clause that—

"lower remuneration for labour" includes less pay or longer hours, or any terms or conditions of labour or employment more disadvantageous to workers.

I think that the paragraph as it now stands is too wide, in that it includes any probable reduction of the remuneration of labour among the issues that have to go to the jury. I think that the word "general" might reasonably be inserted before the words "lower remuneration for labour." The paragraph would then read—

If the competition would probably or does in fact result in a general lower remuneration for labour.

This would insure that competition would not be regarded as unfair unless it had a general effect upon Australian industry, as contrasted with affecting employment to only a microscopic degree. Then in paragraph *c* I should like to insert the word "generally" before the words "throwing workers out of employment." The paragraph would then read—

If the competition would probably or does in fact result in greatly disorganizing Australian industry or generally throwing workers out of employment.

I am not particular whether the word "generally" is inserted in the place I suggest or at the end of the paragraph. If the clause were amended in that form, it would be necessary for the plaintiff in the case to prove more than the mere fact that he had lost an apprentice because of competition that might have beneficially affected a large number of other Australian citizens. He would have to prove that more than his own few immediate employes had been affected by the competition. When one considers the wide range of competition, and its divergent effects, surely it is not too much to ask that before competition is regarded as unfair, and its beneficial results are set at naught, it shall be proved that its detrimental effects have been of a general character. In con-

clusion I might perhaps quote another extract from Von Halle. He says—

It has become customary, within the last few years, to apply to all kinds of industrial combinations and coalitions indiscriminately the name of "trusts." This is very significant; for it shows that the public has unconsciously recognised that, though different in their form and sometimes in their temporary aims, all these attempts at combination are but manifestations of one underlying tendency. While theorists still discuss the advisability, lawyers attack the legality, and politicians doubt the constitutionality of the principle of combination, we learn daily of the formation of new combines throughout the civilized world. This seems somewhat to discredit the cheerful hopefulness of the disbelievers in the orthodox teaching that combinations are nothing but temporary aberrations from the natural law of free competition. At the same time, it becomes evident that mere legal prohibition has proved neither successful nor productive of any satisfactory results. Men who were among the strongest opponents of all sorts of combinations a few years ago now officially admit them to be in certain instances the lesser evil.

That is the mature judgment of a gentleman who has given many years of his life to the study of this question, which he has approached in no spirit of friendliness to these large corporations.

Mr. ISAACS.—I should judge that he was very friendly to them.

Mr. KELLY.—That is another platform interjection which will not weigh very much with the Committee.

Mr. ISAACS.—Who is Von Halle, and what is he?

Mr. KELLY.—I handed his book to the Attorney-General, and he has had an opportunity of looking at it. Yet he can do nothing more than ask questions.

Mr. ISAACS.—He is an unknown writer.

Mr. KELLY.—I am firmly convinced, after what the Attorney-General has said in regard to this Bill, that he will say anything. I do not wish to accept the invitation of the Attorney-General to discuss side issues. Do I understand that the Attorney-General is not prepared to consider any suggestion from the members of the Opposition?

Mr. ISAACS.—I think that the clause is all right as it stands.

Mr. KELLY.—I trust that the Minister will not persist in that attitude, but that he will adopt my suggestions, which would meet, to a certain extent, the very strong objections which most honorable members, in their minds, entertain to the clause.

Mr. JOSEPH COOK (Parramatta) [9.56].—I regard this clause as in many

respects the most important in the Bill. The more I look at it, the more I am amazed that the Attorney-General should have left it in its present form, and particularly in this part of the Bill. There is no clear distinction between the different parts of the Bill which contain a number of provisions common to all. I do not see why paragraphs *b* and *c* should be dragged into a portion of the Bill which professes to deal with the repression of monopolies. The provisions have nothing to do with destructive monopolies, but relate to the most ordinary commercial transactions of every-day life. The Attorney-General has told us that this portion of the Bill is intended to enable the Government to deal with goods that are already here. If that be so, what has the question of lower remuneration of labour to do with the matter?

Mr. ISAACS.—The clause relates to goods that have been imported here. The anti-dumping provisions would prevent certain goods from coming here, but other goods might be on the spot, and might be used in such a way as to injure Australian industry.

Mr. JOSEPH COOK.—One of my complaints against the Bill is that only one measure should be introduced to deal with entirely different matters. The Attorney-General desires to stop the introduction of goods, but if they should manage to struggle through the obstructions which he is interposing, he will deal with them under provisions which are intended to repress monopolies. I do not see how this part of the Bill can ever be brought into operation against foreign trusts. Their goods will be shut out effectively enough under the third part of the Bill.

Mr. ISAACS.—Will the honorable member vote for Part III.?

Mr. JOSEPH COOK.—The Minister is a little premature. One thing is becoming more clear as we proceed, namely, that the real intent and purpose of the Bill, which is not aimed at monopolies, is summed up in the impressive phrase used in the title, "The preservation of Australian industries." The Ministry are doing, in the times of piping fiscal peace, what they pledged themselves at the last election not to do. This Bill is the means by which they intend to evade the solemn pledge made to the people of this country that during the currency of this Parliament they would not raise the fiscal issue. They are not raising it in the orthodox way, but are dealing with it in a much more drastic and effective

manner by this Bill. Believing that to be the main purpose of the Bill, I propose to make a few observations in reference to this clause. I should like to know, for instance, how any Judge or any Court—

Mr. CARPENTER. — Is there a “stone-wall” on?

Mr. JOSEPH COOK.—I wish that the honorable member for Fremantle—

Mr. CARPENTER.—What is the matter?

Mr. JOSEPH COOK.—The honorable member spoke of a “stone-wall.”

Mr. CARPENTER.—It was a private remark.

Mr. HUME COOK.—There is many a true thing said privately.

Mr. JOSEPH COOK.—No doubt. There is also many a true thing said publicly. I am endeavouring to make a few true remarks, and I hope that the honorable member for Bourke will listen to them. I am bound to say that there are not many honorable members in the Chamber to listen, and the peculiar feature of the whole business is that those who are supposed to concern themselves intimately with the industrial affairs of the community are conspicuous by their absence. They decline to take the slightest interest in this measure.

Mr. CARPENTER.—They can see through the game the honorable member is playing.

Mr. JOSEPH COOK.—No doubt. They are very good hands at seeing through games, and at playing them too. That is one of the advantages of being in a solidarity combination.

Mr. CULPIN.—The honorable member's leader is also taking it very disinterestedly.

Mr. JOSEPH COOK.—That is one of the true things which are said publicly as well as privately. There is no doubt that my leader is taking a very great interest in this matter. He is endeavouring to incite public opinion against many of these absurd legislative proposals. I do not know that he could be performing a greater public service at the present time than in endeavouring to arouse the people of Australia to an appreciation of what is taking place in this Parliament.

Mr. PAGE.—He has started at the wrong end.

Mr. JOSEPH COOK.—Judging by the warmth of the interjections which my remarks have provoked, I should say that he has started at the right end. The more you say of this clause the more it seems to me that it is impossible to give

effect to it. For example, one of the things proposed to be taken as indicating unfair competition is a lower remuneration for labour in any industry which comes into competition with an Australian industry. Now, “a lower remuneration for labour,” according to the definition clause, means “longer hours, less pay, or any terms or conditions of labour or employment more disadvantageous to workers.” As an economic definition that is quite unexceptional, and because it is unexceptional from an economic stand-point, it seems to me that it is absolutely impossible to give effect to it. For instance, is a Judge to be called upon to say what hours are worked in Canada where the harvester is produced?

Mr. ISAACS.—That provision has relation only to Australian industries.

Mr. JOSEPH COOK.—What is the use of the Attorney-General saying that? He has just told us that it is intended to deal with goods which have been imported.

Mr. ISAACS.—When we talk about unfair competition in that respect we are speaking of the disadvantageous results to Australian industry and Australian workers.

Mr. JOSEPH COOK.—I am aware of that. The Attorney-General says that it is disadvantageous to Australian workers if they have to compete with goods which are produced at a lower rate of remuneration elsewhere.

Mr. ISAACS.—No, my honorable friend has misunderstood me.

Mr. JOSEPH COOK.—The Bill says so.

Mr. ISAACS.—No.

Mr. JOSEPH COOK.—The clause provides that competition shall be deemed to be unfair—

If the competition would probably, or does in fact, result in a lower remuneration for labour.

Mr. ISAACS.—That means in Australia.

Mr. JOSEPH COOK.—Not at all. It means that competition is to be deemed unfair if a lower remuneration for labour obtains in the manufacture of goods which come into competition with our own, and which by that means disorganizes Australian industry. Is not that so?

Mr. ISAACS.—It is not.

Mr. JOSEPH COOK.—I do not know what else it can mean. The Bill declares that a foreign trust or corporation, or an Inter-State corporation—either an Australian industry or a foreign industry if it is a commercial trust—shall be deemed to be

unfair in their competition if that competition results in a lower remuneration for labour being paid. How is that to be determined if foreign trusts are not to have their conditions inquired into wherever they may exist?

Mr. ISAACS.—I do not think it is necessary, but if the honorable member desires it I have no objection to insert after the word "labour," in paragraph *b*, the words "in an Australian industry." That will make the position perfectly clear.

Mr. JOSEPH COOK.—I object to the whole clause as being absolutely unnecessary for the purpose of indicting a destructive monopoly. My object is to make the Bill what its title implies—a measure for the repression of destructive monopolies, and not for interfering with the normal competition of ordinary business. Therefore, I wish to have paragraphs *a*, *b*, and *c* of this clause eliminated if I can induce the Attorney-General to agree to that course. I desire to confine the Bill to its legitimate function, namely, the repression of trusts which prove to be an evil, and which threaten Australian industries, not purely from economic considerations, but because of the evils sometimes attendant upon large accumulations of capital, and because of the process of personal villainy which somehow seems to grow up around these aggregations of capital. Let us suppose, for instance, that patent rights exist in relation to the manufacture of harvesters. Let us further suppose that a new discovery were made which would improve the harvester, and make it a very much more efficient and economical tool than it is to-day. Would not that be deemed to be unfair competition? Certainly it would have the effect of disorganizing Mr. McKay's industry, and might lead to the lowering of his wages rates. At any rate, he would say that it probably would, and, under the clause, all that a man has to do is to say that, and the foreign concern may be indicted by the Attorney-General. We have already seen the facility with which individuals can move this Government. We have seen the facility with which they can move its individual Ministers, and in saying that I do not accuse the latter of anything except that they may sometimes have a little unconscious prejudice in favour of their own economic theories, as most of us have. Indeed, that seems to be inseparable from our ordinary human nature.

The facility with which Ministers may be moved by outside bodies is wonderful. That facility exists to a greater degree in connexion with this Parliament, and the present Government, than it has existed in relation to any Parliament or Government of which I have had experience. I am bound to say that. It may be a feature which is common to the Victorian atmosphere, but it is one to which I have been unaccustomed in New South Wales. The fact remains that under this clause, no matter how an Australian industry may be disorganized—whether it be by a new process or by patent rights—so long as that disorganization continues, the operations of the competing party are to be investigated, and possibly an injunction taken out against him. Who has not heard of the shutting down of works temporarily? That is not a very uncommon experience. I have known of it, and the Attorney-General has known of it. Only a little while ago it was threatened in connexion with the harvester industry. We were told by the press that Mr. McKay intended to discharge 150 hands, and that he alleged as his reason for doing so that he could not stand up against the competition from abroad. A man who is engaged in an industry only requires a Prime Minister into whose ears he can pour these tales of woe, and whom he can make believe that the industry is already in a state of disorganization, and the way is easy to bring about the prohibition of outside competition.

Mr. HUME COOK.—That is a very unfair insinuation.

Mr. JOSEPH COOK.—I make no insinuation. I simply say that if an honorable member represents an electorate in which there is an industry which threatens to discharge 150 men, he is very likely to lend a sympathetic ear to complaints of that kind.

Mr. HUME COOK.—The honorable member did not put it that way.

Mr. JOSEPH COOK.—The Government Whip had better get up and make a speech.

Mr. HUME COOK.—The honorable member used the words "Prime Minister."

Mr. JOSEPH COOK.—What is the difference between the two statements?

Mr. HUME COOK.—A vast difference.

Mr. JOSEPH COOK.—I say the Prime Minister now.

Mr. HUME COOK.—And I say that it is an improper insinuation to make.

Mr. JOSEPH COOK.—There is no improper insinuation, and none was intended. I am merely alleging that the Prime Minister would do what any other honorable member would do, save that the Prime Minister possesses a great deal more power and influence than does any private member. Only a little while ago the threat was made that 150 men would be turned out of employment at Ballarat because of the alleged disorganization of this industry by reason of the operations of foreign trusts. When we have cases before us as matters of actual experience, it is clear that if these provisions be passed we shall be within a reasonable distance of prohibitive protection so far as these competing industries are concerned. Under this clause all that Mr. McKay will have to say is, "I cannot go on," and shut his works down, it may be, when the whole thing will come before a Judge. What can he do or say if he finds that these men are out of work, and the door shut on them? Will not that be conclusive proof, so far as he is able to get it, that there is disorganization? The thing will be complete and accomplished. I say that we should not do what is sought to be done by any such legislative means as this. If we wish to give Mr. McKay greater protection for his harvesters, let the proposal be brought before the House in a straightforward fashion. It has been before us, and the House declined to give him any further protection. A proposal was made I believe for a duty of £10 on each machine, and the House in the interests of the primary producers of Australia decided not to accept any such proposal. Here we have a measure to confer the power to give effect to such proposals on persons outside of Parliament. We are asked to surrender one of the main functions of Parliament, which is to control the right to impose taxation upon the people, and to regulate the trade and commerce of the country.

Mr. WATSON.—Parliament may delegate power of that sort.

Mr. JOSEPH COOK.—Of course, Parliament may, and the more it does delegate that kind of power the less useful it will become. The mind of the honorable member for Bland has, as we know, been moving in that direction lately. That is the socialistic trend of events, and the honor-

able member welcomes anything of the kind.

Mr. WATSON.—I do not know that there is anything particularly socialistic or anti-socialistic about it.

Mr. JOSEPH COOK.—Make no mistake. The honorable member knows where he is going.

Mr. WATSON.—I hope I do, but I cannot say that the honorable member does.

Mr. JOSEPH COOK.—He is following the inevitable tendency, and he is hastening it by every legitimate means in his power. I set far too high a value on the powers and privileges of Parliament to surrender them lightly. However much Parliament may be criticised by those outside, however clumsily it moves, however imperfect its methods may be, I see nothing yet that can take its place, and give equal satisfaction to the people outside. I see that other nations are trying to abolish the personal powers of government which have led to despotism and the wrecking of their countries. When we know that this is the trend of events in the older countries of the world we ought to take care of our Parliament, and until a better machine is suggested with which to preserve the liberties of the people as a whole, I shall stand by the Parliament of the country, and guard its powers as jealously as I can. Is there a power which requires more sacred or jealous guarding than the right to impose taxation and determine the conditions under which our competitive enterprises shall be carried on? We are asked in this Bill to surrender that power, and to set it outside Parliament altogether, and that is what I object to in this measure. All this is being done under cover of a proposal to repress trusts, and the Attorney-General has admitted time and again in our debates that there are only a few things this Bill can do, because there are, in Australia, only a few evils, even latent, in respect of which it can by any possibility become operative. I therefore say that this machinery would be better out of this Bill, and that it should be confined to a simple provision for the repression of trusts. Let us repress them as completely as honorable members please when, first of all, we find out that they are deliberately destroying our industrial occupations and putting the people of Australia out of work. But we should not do by this means

what we ought to do by ordinary Tariff proposals. Paragraph *b* of this clause refers to competition which "would probably, or does in fact, result in lowering remuneration for labour." It must be a common experience to any one in whose electorate industrial enterprises are carried on to hear the statement made—"I cannot compete unless I can get some higher Tariff duty, or unless I can get better conditions or concessions from the Government. I am being knocked out by labour operating in other parts of the world. I am being knocked out because of some disability under which I labour, as compared with my competitors who send their goods here." Under this Bill such things have only to be alleged, and the whole paraphernalia of the law is to be brought into operation, with a view to prevent what is complained of. I say that the only proof which any Judge can get in support of such complaints is that of interested parties, who stand to gain by the proceedings which they institute. One of the evils of this Bill is that a man may manufacture his own proof. As I have already shown, all that he has to do is to shut down his works, and there is the disorganization of the industry, and the men thrown out of work. All the conditions precedent to conviction required by this clause are complied with, and who is to say that this is not done in a *bonâ fide* manner. The Judge will be almost compelled to take the evidence as it is furnished to him. He can get no evidence to the contrary, and he must believe the statements made to him. This clause leaves it open to any enterprising manufacturer to look well after himself by a little sharp practice, which is frequently adopted nowadays, and particularly just before election time. I do not say that it is a common thing, but I do say that it has taken place, and may take place again. Another case occurs to me. I know an individual who is starting an industry, and is importing certain patent boilers in connexion with it. This man is a great protectionist, and, like most high protectionists, he prefers to get his wares in the cheapest possible market, and so he has been importing these boilers from abroad. There are boiler-makers in New South Wales who turn out excellent boilers. They may not be exactly the same as those which this man is importing, but I am informed that they can be made to do the work which has to be done

very well. Yet, here is the fact that these boilers are being imported from abroad, and is not that dislocating the industry of the local boiler-makers? Under this Bill the local boiler-maker can go to the Attorney-General and say, "Boilers are being imported that are disorganizing my trade." So he will get a case for inquiry and investigation, and the Judge will be asked to decide the question whether we shall take advantage of the ingenuity and skill of men in other parts of the world, and of which the community has guaranteed them a monopoly for a certain time by the issue of a patent right. It is difficult to discover exactly what are the facts as to wages and conditions of employment in the various trades. Frequent differences of opinion are expressed upon the commonest aspects of these industrial matters. In the discussion of a matter affecting the conditions of labour in Victoria, the *Argus* and *Age*, of the same date, will produce a report differing as widely from each other as chalk does from cheese. These differences occur even amongst our statisticians. Competent official statisticians differ in the widest possible manner on questions of wages and conditions of employment. We are going to ask a Judge to decide such matters under this Bill, though he may have no special industrial training. He may be disinterested and skilled in analyzing evidence, but he may have no special skill in dealing with questions affecting our industrial conditions. Again, I am speaking of a matter of which we have practical experience.

Mr. ISAACS.—Does the honorable member not think that the Arbitration Court has a good deal to do with the question of the rates of wages?

Mr. JOSEPH COOK.—I know that it has, and I do not know that the Arbitration Court is a remarkable success. Many of the workers, and certainly a great many employers, do not believe that it is a success. In the Newcastle district, the opinion is prevalent amongst those who have had most to do with the Arbitration Court, that it is not doing at all what was expected of it. For many years before the compulsory Arbitration Court was created, there were voluntary arbitration boards in Newcastle.

The CHAIRMAN. — Is the honorable member going to connect his remarks with the question before the Chair?

Mr. JOSEPH COOK.—I am, as you will see in a moment, Mr. Chairman. Those

arbitration boards, which were in existence for twenty or thirty years, were presided over by all kinds of men, including eminent barristers. I remember, for instance, that Sir Edmund Barton had a period of presidency. The experience of those boards—and in this I should be borne out by the honorable member for Newcastle, if he were present—was that the decisions of the laymen were always more satisfactory than those of the barristers and other professional men. That is not to the derogation of the professional men, who simply had not the actual outside business experience of which the laymen had had the advantage. Such courts as these are not law courts in the strict sense of the word; their duty is simply to inquire as to facts, and to act as courts of equity and good conscience. Under the Bill, a Judge will be asked to investigate questions relating to the hours of labour, the disorganization of industries, and, in fact, all the ramifications of trade. Is there any guarantee that in all cases a Judge will be able to come to a determination with unerring accuracy? In the conflict of opinion which operates in a House like this, representative of every section of the community, we are much more likely to get near the truth as to actual industrial conditions than we should by any set process of law such as is laid down in the Bill. We ought not to surrender these industrial matters to any outside authority, but should keep them within the purview of Parliament; above all, we should keep in our own hands the regulation of our commerce. As bearing on the impossibility of getting at the actual facts of the position, I may say that Mr. Shackelton, one of the best men in the Labour Party of the House of Commons, recently visited America and Germany, as a member of the Commission appointed to inquire into certain industrial operations supposed to have a deleterious effect in the industry in which he was interested at home. When he returned, he reported that the British workman was better off than the workman in those countries, that his production was more efficient, and that there was nothing to fear from dumping from Germany, or from the supposed greater skill in the United States. Mr. Shackelton had satisfied himself by investigation on the spot as to the facts of the case as they affected his own industry. About a week ago we read that a similar Commission from Germany, consisting of what are known as Christian Trade Union-

Mr. Joseph Cook.

ists, had paid a visit to Great Britain, and that they had reported that, in their opinion, the conditions in Germany were much better than those in Great Britain. Here were two Commissions investigating the same facts and conditions, and arriving at diametrically opposite opinions. If that is the result when investigations of the kind are handed over to an outside authority, I say that we are more likely to arrive at the actual facts regarding an industry in a Chamber like this, where every section of the community, every kind of skill, and every point of view, is represented. The Bill would set a Judge an impossible task; at any rate, a task which he could not carry out with any satisfaction to himself, or to the community as a whole. I should not be making these statements if I did not believe that we are taking a radically wrong course. I appeal to honorable members, who have any respect for the authority, scope, and function of this Parliament, not to surrender these powers to any outside body. It would, I believe, be a departure made for the first time in any British community, to permit the ordinary competition in industrial enterprises of the country to be determined by a body altogether independent of Parliament. I do not know where we are going to land. We seem to be encircling the whole of our industrial and social life with the processes, sanctions, and penalties of law. For several hundred years we have been trying to get out of the meshes of the law, and attain greater individual freedom; and now, as the result of further enlightenment, or experience, or whatever it may be, we seem to be once more creating laws which threaten to control every action and occupation in the community. The very disabilities which people in such countries as Russia are endeavouring to free themselves from, we are in danger of establishing by law in Australia. As to some of our modern conditions, such legislation may be necessary, but where that is the case let us proceed with the greatest circumspection and caution. Let us not rush into it pell-mell, as this Federal Parliament, above all other institutions in Australia, seems to be doing. Otherwise, we may wake up to find that it is too late to retrace our steps. I appeal to the Attorney-General to consent to limit and circumscribe this clause, so as to cause the Bill to carry out the popular intention. No one will say the Attorney-General nay, so

long as he aims at repressing destructive monopolies; but when he introduces a Bill to give Ministers power to regulate the competition of this country with other countries, he is undertaking a function which, from time immemorial, Parliament has always guarded as one of its most sacred privileges and rights, because of the greater degree of facility which Parliament has of disposing of such matters, with justice to the industrial community at large.

Question—That the words proposed to be left out stand part of the clause—put. The Committee divided.

Ayes	...	...	24
Noes	...	...	7
Majority	...	...	17

AYES.

Carpenter, W. H.	Poynton, A.
Chanter, J. M.	Salmon, C. C.
Chapman, A.	Storror, D.
Crouch, R. A.	Thomas, J.
Culpin, M.	Thomson, D. A.
Deakin, A.	Tudor, F. G.
Ewing, T. T.	Watson, J. C.
Fisher, A.	Webster, W.
Forrest, Sir J.	Wilkinson, J.
Frazer, C. E.	
Groom, L. E.	
Isaacs, I. A.	
Mauger, S.	

Tellers:

Cook, Hume
Wilson, J. G.

NOES.

Cook, J.	Willis, H.
Johnson, W. E.	
Liddell, F.	
Thomson, D.	

Tellers:

Lee, H. W.
McWilliams, W. J.

PAIRS.

Hughes, W. M.	Lonsdale, E.
Batchelor, E. L.	Robinson, A.
Spence, W. G.	Conroy, A. H. B.
Watkins, D.	Fuller, G. W.
Page, J.	Kelly, W. H.
Mahon, H.	Knox, W.
Hutchison, J.	Skene, T.
Maloney, W. R. N.	Smith, S.
Ronald, J. B.	Glynn, P. McM.

Question so resolved in the affirmative.

Amendment negatived.

Amendment (by Mr. ISAACS) agreed to—

That the words "in the opinion of the jury," line 3, be left out.

Amendment (by Mr. JOHNSON) proposed—

That the words "unfair in the circumstances," lines 3 and 4 be left out, with the view to insert in lieu thereof the words "proved to have for its object the injury or destruction by unjust or dishonest means of any Australian industry."

Mr. JOSEPH COOK (Parramatta) [10.46].—We have already tested this mat-

ter in a negative way, and nothing is to be gained by testing it again affirmatively. I therefore suggest that the honorable member for Lang might withdraw his amendment.

Mr. JOHNSON.—Are we to allow the Bill to go through with these defects in it?

Mr. JOSEPH COOK.—It does no good merely to repeat a division. The last vote was a test which decided the matter.

Amendment, by leave, withdrawn,

Mr. DUGALD THOMSON (North Sydney) [10.48].—I do not intend to enter into a further discussion of this clause, as I have already referred to it incidentally. It represents one of the most important provisions of the whole Bill. It touches, or may touch, a large portion of the trade of Australia—import trade, Inter-State trade, and even some trade within a State. It declares to some extent what is to be the unfair competition which is to be established, and it also imposes the very repugnant condition that competition shall be considered unfair in certain cases until it is proved to be fair. It is of no use to call for a division, but I would ask the Attorney-General whether he sees reason to adhere absolutely to a provision which is so repugnant, as that a man's innocence must be proved before he can be held to be not guilty? I see no occasion for it. If the Crown has a case, I see no difficulty in proving the unfairness of the competition, because it is on that very ground that the Crown would take action. I am aware that, in some Acts, the principle of making a man prove his innocence is adopted, but that is because there is extreme necessity for it. But when the Crown acts on evidence—and I do not suppose that it would act without evidence—it should be able to put that evidence forward in Court. There seems to be no occasion in this case, as there may be in others, to deem that a man is guilty until he himself proves his innocence. I shall be satisfied if the Attorney-General will take the matter into consideration before the Bill reaches its third reading stage, and while there is an opportunity to recommit; because I do think that such an extreme requirement is absolutely unnecessary. I would also suggest to the Attorney-General that the word "until" is less satisfactory than the word "unless." It is a very serious thing to take power, or apparently to take power, to interfere with a man's business—to stop it for the time being—"until" he proves that his competition is

not unfair. It may take a considerable time to prove that.

Mr. ISAACS.—I have no objection to substitute "unless" for "until."

Mr. DUGALD THOMSON.—That will be a much better word if the Attorney-General insists on retaining the provision. But I hope that, on fuller consideration, he will realize that it is neither necessary nor desirable.

Mr. ISAACS.—I must be candid with the honorable member, and state that I do think the provision necessary. I have considered the matter thoroughly.

Mr. DUGALD THOMSON. — This clause is the hinge upon which the whole Bill turns.

Mr. ISAACS.—I think the honorable member is attaching too much importance to it. It is an important clause, but it is not so important as that.

Mr. DUGALD THOMSON.—I think that it is almost the most important clause in the Bill. It takes power to deal with almost the whole trade and commerce of Australia where there is supposed to be unfair competition. Then we come to the gist of the matter—what is "unfair competition"? Certain things are named, and then there is a provision that under certain circumstances competition shall be deemed to be unfair until it is proved to be fair. I am quite aware that it is useless to take a division on this point, though the Attorney-General has been urged by a number of honorable members to excise the provision. The same danger will arise under paragraphs *a* and *b*. To some extent the danger is reduced by the acceptance of the suggestion of the honorable member for Bland, that a Justice instead of a jury shall deal with a first offence. That amendment offers some safeguard, and removes some uncertainty. But still paragraphs *a* and *b* are so dangerous that if a Judge chose to consider the evidence on those points as really establishing unfairness — and some Judges might be easily satisfied on that point—we could have no competition whatever in the industries of Australia. While I am strongly opposed to this anti-British system—for it is anti-British, in that it imputes guilt until innocence is proved—if the Minister will not accept an amendment, I recognise that under present conditions it is useless to press my objection.

Mr. ISAACS (Indi—Attorney-General) [10.58].—I recognise the fair way in which

the honorable member for North Sydney has put his case, and I think he will recognise that I have endeavoured, as far as I could, to meet any suggestion made by him or by any other honorable member, so long as it did not strike at a vital principle. I have no objection to alter "until" to "unless," and I will move an amendment in that direction later on. As to the allegation that the provision is un-British, I desire to say that it is not so in any sense. The same principle has been applied by Judges of the English Bench of high repute to labour organizations. They have held that what one labourer may do with impunity is unfair if a number of labourers unite together to do it, because it brings a greater amount of pressure to bear upon employers. I am asking the Committee to put the same principle into operation here. If a number of individual traders are carrying on their business, and they find arrayed against them a huge commercial trust, which has the design and intent to crush them, I say that, when those things are proved—because they will have to be proved affirmatively—the trust will have nothing to complain of if it is asked to justify its action and show that it is fair.

Mr. DUGALD THOMSON.—It is not proof that has to be made; it is evidence that has to be given.

Mr. ISAACS.—Evidence has to be given; but it has to be proved absolutely that this aggregation of capital and of capitalists, has been formed with the intention of destroying or injuring individual traders engaged in occupations that ought to be preserved in the interests of Australia. On the other hand, the trust will only have to show that, in its efforts for this undesirable purpose, it is exhibiting fair play to the individual traders. I do not think that there is anything un-British in that. I have given reasons for thinking that this clause is necessary. We are all subject to the possibility of error, and I do not pretend to any greater immunity from that than any other honorable member. I move—

That the word "until," line 5, be left out, with a view to insert in lieu thereof the word "unless."

Mr. McWILLIAMS (Franklin) [11.1].—I shall not detain the Committee long, because I have realized for some days past that it is practically impossible to make amendments of any importance, seeing that the numbers are against those who

wish to restrict the operations of the Bill. I wish, however, to know from the Attorney-General whether considerable difficulty may not arise in determining what is unfair competition. The products of one State may be sold in another at prices at which the local products cannot be sold, but which give a reasonable profit to the producers. Would that be unfair competition?

Mr. ISAACS.—No. We are not now dealing with competition between one Australian firm and another, but with the destruction of Australian industries by combinations which are not combinations of persons engaged in Australian industries.

Amendment agreed to.

Amendment (by Mr. ISAACS) agreed to—

That the words "or agent of a commercial trust," line 8, be left out.

Mr. KELLY (Wentworth) [11.3].—I wish to know from the Attorney-General whether he will agree to the omission from paragraph *b* of the words "would probably or," in order to make the question one of fact instead of probability?

Mr. ISAACS (Indi—Attorney-General) [11.4].—I cannot agree to that amendment, because without those words we should have to wait until the operations of the trust had resulted in lowering the remuneration for labour, whereas we do not intend, if it can be prevented, to allow the process of destruction or injury to proceed to that stage.

Mr. CROUCH.—Would not the word "will" be better than the word "would"?

Mr. ISAACS.—I do not think so. What is meant is, "would if it were permitted to continue." These words were introduced for the purpose of prevention, which is proverbially better than cure.

Mr. HENRY WILLIS (Robertson) [11.6].—The Attorney-General has made very clear what we have assumed all along, that he desires to treat as criminals men who will "probably" commit offences.

Mr. WEBSTER.—He wishes to warn them.

Mr. HENRY WILLIS.—Before a man has committed an offence he may be given twelve months' imprisonment because he would "probably" commit it.

Mr. ISAACS.—To come under the clause he must have entered into a combination to do certain things. The honorable member, apparently, would not punish a man for attempting to commit murder, but would wait until he had murdered some one.

Mr. HENRY WILLIS.—Surely the Attorney-General would not hang men because they might probably commit murder! But by this clause he proposes that men shall be imprisoned for twelve months, and fined £1,000, because they may probably compete unfairly. This is infamous legislation. Men are to be punished because they will probably destroy industries. They are to be proceeded against before they have done anything, and to be punished because they will probably commit an offence. If he says that that is British law, I defy the Attorney-General to prove the statement.

Mr. WATSON.—The honorable member should not defy him.

Mr. HENRY WILLIS.—The honorable member for Bland may have some small knowledge of Socialism, but he has not the faintest notion of business matters. Indeed, he appears not to have a shred of intelligence in dealing with commercial affairs.

Mr. WATSON.—How is it possible for any one to have knowledge when the honorable member assumes it all?

Mr. HENRY WILLIS.—There is room for more than myself, but we have heard very little from the honorable member. He has taken no part in amending the Bill.

Mr. WATSON.—I have taken part in several amendments.

Mr. HENRY WILLIS.—The honorable member is really impotent. The press puffs him up, and tells him that he has power, and he believes the statement. In reality, he is getting his leg pulled. These statements are published to make little of the Government. Does he not know that this is an old dodge?

Mr. STORRER.—Is the honorable member speaking to the amendment.

The CHAIRMAN.—Honorable members are themselves to blame if the honorable member for Robertson is out of order, because their continual interjections make it difficult for me to follow the speaker.

Mr. WATSON.—Is it possible for you, Mr. Chairman, to follow the honorable member for Robertson, even when no one is interjecting?

Mr. JOSEPH COOK.—I should like to know whether the honorable member for Bland is in order in addressing to you a question which reflects upon another honorable member?

The CHAIRMAN.—I did not understand the honorable member for Bland to do that.

Mr. HENRY WILLIS.—I take the Attorney-General's own words "would probably commit an offence."

Mr. ISAACS.—Those are not my words.

Mr. HENRY WILLIS.—Those are the words of the Bill, "would probably or does in fact result in a lower remuneration for labour." That is an offence.

Mr. ISAACS.—No, it is not.

Mr. CROUCH.—That must be first proved.

Mr. HENRY WILLIS.—No. It is provided that until the contrary is proved, competition that would probably, or does in fact, result in a lower remuneration for labour, shall be deemed to be unfair. The Attorney-General explained that the words "would probably" should be retained, because, otherwise, an offence would be committed before action could be taken. In other words, he wishes to act before an offence is committed. He wishes to punish an innocent person by sentencing him to twelve months' imprisonment, and fining him £1,000, because he would probably commit an offence. He says, "We will not wait until the offence has been committed, or until the injury has been done to our industries, but we will nip the thing in the bud." This seems very silly. It is so ludicrous that all honorable members are laughing at it. Can it be pretended that this is in accord with British law? The Attorney-General is much too clever and experienced a lawyer to willingly father such a proposal. There must be something at the back of his conduct. Is he being led by the Minister of Trade and Customs? If so, I hope that he will break away from the shackles of his colleague and meet the reasonable requests of honorable members.

Mr. KELLY (Wentworth) [11.15].—Am I right in supposing that under paragraph *b* the onus would be on the plaintiff to prove that the competition "would probably, or does in fact, result in a lower remuneration for labour."

Mr. ISAACS.—Undoubtedly.

Mr. KELLY.—Then he would be compelled to produce his books.

Mr. ISAACS.—The Crown would act in a prosecution.

Mr. KELLY.—Assume that the view of the harvester manufacturing question taken by honorable members on this side is correct, and that the local firms, although making large profits, are threatening to throw their men out of employment, in

order to bring pressure to bear on the Government. In the event of the harvester manufacturers making a complaint, and of the defendant stating that they were making large sums of money, would it be incumbent upon the Crown to examine their books and ascertain if that statement were correct?

Mr. ISAACS.—That would depend largely upon the way in which the case was conducted. I presume that the Crown would call experts to prove that the industry would have to be carried on at a lower remuneration for labour. The witnesses who testified to that effect would be cross-examined and, if necessary, called upon to produce documentary proof.

Mr. KELLY.—That would, to some extent, meet the case. I suggest that the word "general" should be inserted before the words "lower remuneration for labour" because I presume that the provision is intended to apply to Australian industries generally, and not to the circumstances of any particular firm.

Mr. ISAACS.—It is not intended to favour individuals, but to have a general application.

Mr. KELLY.—Then, perhaps, the Attorney-General would consent to make the intention clear in the way that I have indicated.

Mr. ISAACS.—I could not insert the word "general" in the way suggested, but I should be willing to insert at the end of the paragraph the words "in an Australian industry."

Mr. KELLY.—That would probably meet the case.

Mr. McWILLIAMS (Franklin) [11.18].—I should like to have a distinct assurance from the Attorney-General that this clause does not apply to Australian trade. I understood the Attorney-General to state that it was intended to apply only to foreign trade.

Mr. ISAACS.—I say that it does apply to Australian trade, but does not discriminate between Australian competitors.

Mr. McWILLIAMS.—My point is this: There are commodities which can be produced in some States at a cost much lower than that involved in other States. For example, the boot trade of Tasmania has been very severely hit by the competition of the manufacturers of Victoria, who, owing to their larger turnover, can produce their goods at prices which the smaller manufacturers of Tasmania cannot equal.

Then take the case of butter, which is imported from New South Wales into Tasmania and sold at prices with which the local producers are not able to compete. Then, again, New South Wales can send her coal into Victoria and sell it at a price which defies all competition. We produce potatoes, fruit, and other commodities, which we are able to send to the other States, and there, owing to our climatic conditions, we are in a position to undersell the local producers. The point that I wish to raise is, "What will be considered unfair competition"? A jury sitting in New South Wales to investigate a complaint in reference to the coal industry—

Mr. WATSON.—This provision will not be interpreted by a jury.

Mr. McWILLIAMS.—It must be interpreted by some tribunal.

Mr. WATSON.—It will be construed by a Justice of the High Court.

Mr. McWILLIAMS.—It must be interpreted by some tribunal.

Mr. WATSON.—By remitting the matter to a Justice of the High Court, we shall get rid of the influence of local prejudice.

Mr. McWILLIAMS.—I am not speaking of a case in which any local prejudice is present. What I wish to ask is, "Would it be unfair competition to sell Newcastle coal in Melbourne at a price which would result in the closing down of the Victorian collieries?" Actually, it would be.

Mr. DUGALD THOMSON.—That is not what the Bill provides.

Mr. McWILLIAMS.—Under this clause, a very serious position may arise as to what constitutes unfair competition in trade as between the States. A very great deal will hinge upon that. I am not speaking of a case in which a deliberate attempt is made to knock out an industry—

Mr. ISAACS.—The clause only relates to cases in which an attempt is made to knock out an industry.

Mr. McWILLIAMS.—If Newcastle coal could be sold profitably in Melbourne for 17s. 6d. per ton, it might be distinctly disastrous to the colliery proprietors in Victoria, despite the fact that the Newcastle miners were receiving a fair wage. Would not such a condition of affairs be calculated to reduce the wages paid in the Victorian collieries? Undoubtedly it would. Whilst I desire to prevent anything in the nature of a destructive monopoly flourishing in our midst, I hold that we must be

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exceedingly careful lest we create a machine which will have a disastrous effect upon the trade between the different States.

Amendment (by Mr. ISAACS) agreed to—

That after the word "labour" in paragraph *b* the words "in the Australian industry" be inserted.

Mr. KELLY (Wentworth) [11.28].—I would suggest to the Attorney-General that after the word "throwing" in paragraph *c*, the words "in considerable numbers," be inserted.

Mr. ISAACS.—I think that the term "throwing workers out of employment" has a general meaning.

Mr. KELLY.—If the Attorney-General says so, I am quite prepared to accept his assurance.

Amendment (by Mr. DUGALD THOMSON) agreed to—

That the following new sub-clause be inserted:—

"2. In determining whether the competition is unfair regard shall be had to the efficiency of the management, the processes, the plant, and the machinery employed, or adopted in the Australian industry affected by the competition."

Clause, as amended, agreed to.

Progress reported.

House adjourned at 11.29 p.m.

House of Representatives.

Friday, 6 July, 1906.

Mr. SPEAKER took the chair at 10.30 a.m.

House counted.

Mr. SPEAKER read prayers.

ADELAIDE ELECTRIC LIGHT WIRES.

REMUNERATION OF LINEMEN.

Mr. TUDOR (for Mr. BATCHELOR) asked the Postmaster-General, *upon notice*—

1. Whether it is the rule to allow the use of telegraph poles in Adelaide for hanging partially insulated electric light wires?

2. Are naked electric light wires carried over and supported from the telegraph poles?

3. If such a practice obtains, is it not a source of danger to life and property?

4. Have cases occurred in which there has been fusion of the telegraph wires as the result of contact with the electric light wires?

5. Have special warnings been recently issued to the linemen in Adelaide of the necessity for exercising particular care in carrying out their duties?

6. What is the object of requiring the linemen in Adelaide to sign an acknowledgment of having received such special warning?

7. Is it a fact that those linemen who are called upon to execute work of such an unusually dangerous character are classified by the Public Service Commissioner at the lowest rate of pay for permanent employes in the Commonwealth Service, *i.e.*, on an equality with totally unskilled labour?

8. Does not the Postmaster-General think that some higher remuneration should be paid to men engaged in work of specially dangerous character than is paid to ordinary unskilled labourers?

Mr. AUSTIN CHAPMAN.—The answers to the honorable member's questions are as follow:—

1. Yes, under approved conditions, and as a means of reducing the liability to contact between the wires of the two systems.

2. No. This is not the practice. Naked wires do pass over the telegraph lines, but they are not supported on the same poles.

3. There is always some danger where a telephone system and electric light installation cross each other at so many different points.

4. Yes, on three occasions; two by telephone wires falling on the electric light wires, and one by the electric light wires falling on the telephone wires.

5. Yes.

6. To impress on the men the necessity of exercising every care.

7. No. The Public Service Commissioner has increased the rate of pay from £100 to £120 per annum, and a further increase of £6 per annum to a certain number of the more competent linemen is provided for on the Estimates.

8. Yes, and payment is already being made accordingly.

TELEGRAPH OFFICES: CLOSING TIME.

Mr. POYNTON asked the Postmaster-General, *upon notice*—

1. Will he inform the House why the recent regulations altering the time of closing telegraph offices in South Australia on Saturday from 5.30 p.m. to 7.30 p.m., to bring that State into line with other States, is made to apply only to the State of South Australia, and why two other States, whose time of closing is 6 p.m. throughout the whole week, are not similarly brought into line?

2. Will he rectify this anomaly either by causing all States to come into line or reverting to the system which, prior to the advent of the Commonwealth, was considered adequate to the needs of the various States?

Mr. AUSTIN CHAPMAN.—The answers to the honorable member's questions are as follow:—

1. The recent instruction altering the time of closing telegraph offices in South Australia on Saturday was made in order to bring that State into line with the other States of the Commonwealth, where telegraph offices are open on Saturdays during the same hours as on week days.

2. The question of making uniform the actual hours during which telegraph offices are open in the various States is under consideration.

AUSTRALIAN INDUSTRIES PRESERVATION BILL.

In Committee (Consideration resumed from 5th July, *vide* page 1105):

Clause 7—

1. Any person who wilfully monopolizes or attempts to monopolize, or combines or conspires with any other person to monopolize, any part of the trade or commerce with other countries or among the States, with the design of controlling, to the detriment of the public, the supply or price of any merchandise or commodity, is guilty of an indictable offence.

Penalty: Five hundred pounds, or one year's imprisonment, or both; in the case of a corporation, Five hundred pounds.

2. Every contract made or entered into in contravention of this section shall be absolutely illegal and void.

Amendment (by Mr. ISAACS) agreed to—

That the word "wilfully," line 1, be left out.

Amendment (by Mr. ISAACS) proposed—

That the words "the design of controlling," line 5, be left out, with a view to insert in lieu thereof the words "intent to control."

Mr. JOSEPH COOK (Parramatta [10.40]).—In discussing the amendment, I ask the Committee to consider the nature of a patent right. Is it not a permission granted by the Legislature to exercise a monopoly?

Mr. WATSON.—Conditions are frequently attached as to manufacture and sale at reasonable prices.

Mr. JOSEPH COOK.—There are no such conditions in our Patent Act, for which the honorable member voted.

Mr. WATSON.—There are such conditions in the patent laws of other parts of the world, as, for instance, of Canada. Our patent law was affected by the free-trade ideas of the honorable member.

Mr. JOSEPH COOK.—There is not much free-trade about the Labour Party now, since last night even the honorable members for Barrier and Maranoa voted for the purely fiscal conditions of the Bill. The possessor of a patent right would, in almost every particular, correspond with the persons described in the clause. He "monopolizes," and "attempts to monopolize," and may "combine and conspire with others to monopolize" part of the trade among the States or with other countries. A patent right may be world-wide in its effects. In Australia we grant rights which, under certain conditions, protect the patentee in every part of the world, and thus enable him to monopolize, or to act with intent to control the business of the world, so far as the manufacture and

sale of the article patented is concerned. But, having provided for the issue of patents, we now propose by the Bill to indict any who may exercise his patent rights. I am, of course, well aware that the effect of a patent, although inevitably, at the first, monopolistic, is eventually diffusive, tending to the invention of devices for increasing human comfort and advancement. Indeed, it seems as if we have concluded in our minds that we cannot bring new forces into play in connexion with any material concern, which are not at first of a monopolistic character. In the initial stages they tend to concentration and to monopoly, but afterwards their benefits become diffused throughout the length and breadth of the community. In the Commonwealth, a patent right may exist for fourteen years, though it may be of a character so revolutionary as actually to hold back the advancement of the community in many ways during its currency. This is not a fanciful statement, but one which everybody who has had any connexion with business knows to be true. I recollect a case in point having reference to the telephone switchboards in use in the General Post Office, Sydney. Years ago when we wished to install a new switchboard there, two firms tendered for the work. One of them claimed to possess a patent right in Australia of certain things which were material to both switchboards. The result was that we had to pay that firm for the switchboard, £2,000 more than the price at which we could have obtained a very much better switchboard had there been no patent right in existence, and as a result, a very great deal of heart-burning was occasioned to the officers of the Department. At that time there was nothing in our New South Wales patent laws binding the Government in any way whatever with regard to patents. There was, I believe, some provision of the kind in the Statutes operating in the other States, but in New South Wales there was no such provision. But, notwithstanding the fact that there was nothing in the legislation of New South Wales to bind the Government, I took up the position that since the Legislature had conferred patent rights upon individuals, the Government ought not to set an example in the violation of those rights. Upon these moral grounds the Ministry came to the conclusion that we ought to observe the same rule in regard to patents as applied

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to private individuals. Then I remember that some of the officers in the Postal Department invented a jack for use in connexion with the telephone switchboard, but again we were met by this claim on the part of the patentees. They affirmed that the difference which we made in the jack was only a minor one, but it was covered by the patent right which they already possessed. In our ignorance we had entered into a contract for the supply of this particular jack before we were aware of the existence of this patent right. The firm took the matter to the Equity Court, and Mr. Justice Owen, who has recently been investigating the land scandals in New South Wales, made an order for the impounding of the jacks. He would not allow them to be landed at all, although they came from a firm in Sydney, which was making them at the time. He would not allow them to be landed upon the ground that they were covered by a patent right which had been taken out in Australia by a firm at Home. The difference was not sufficiently material, he ruled, to evade the monopoly which the firm in question possessed. As a result we were held up for the time being by the lack of these jacks—

Mr. SKENE.—Where were the Government endeavouring to land them?

Mr. JOSEPH COOK.—They were supplied by a Melbourne firm, but they contravened a patent held by a foreign company—that is to say, a British company. The latter took action in the Equity Court, and restrained them from being landed, and the Postal Department was held up until it made a contract with the individual who held the patent right. That is an illustration of a monopoly actually keeping back, for seven or eight years at least, the installation of an improved switchboard in the Post Office. That is a common experience. But on the whole the public are deemed to be best served by the enactment of Statutes of that kind. We have deliberately set up these patent rights. We have done so in this Parliament, and, according to an interjection by the honorable member for Bland, we have not attached to them certain stipulations which attach to them in other countries of the world. Why I do not know. I do not understand how anybody who believes in Socialism can concur in the issue of these patent rights for a number of years, seeing that they mean the granting of a monopoly

to an individual as against the whole community. However, that is by the way. The fact remains that we do set up these monopolistic enterprises with a certain currency, and that we shield them by the processes of law in every way. Yet they come within the meaning of this clause in almost every particular. There is another expression in the provision under discussion to which I desire to direct attention. It is the phrase "the detriment of the public." What is the real meaning of it? What do we mean when we refer to "the detriment of the public"?

Mr. HIGGINS.—What is a public-house?

Mr. JOSEPH COOK.—I do not think that the word "public" in this instance means traders. I should rather think that it means the great body of the public, who use and purchase these goods. If it means the consumer, why not say so? But if the clause read "to the detriment of the consumer" we should again open up a long vista of possibilities. What is "to the detriment of the consumer"? Clearly the increase in the price of any article, no matter how slight it may be, is to his detriment. The difference between tea at 1s. per lb. and tea at 1s. 0½d. per lb. is to the detriment of those who consume that article, looked at from their stand-point. So it is in the case of the goods referred to in this clause. Yet the cheapening of an article is the very thing that we indict under this Bill. We say that unless these things can be supplied at a certain standard price, they shall not be supplied at all. Under this clause we absolutely force people to put up their prices before they can enter upon our competitive plane at all. It seems to me to be contradictory to set up a standard which is prohibitive of everything which is "to the detriment of the public," and, at the same time, to require people to enter into such arrangements as must lead to an increase in price in relation to the articles sought to be purchased and consumed.

Mr. HIGGINS.—Does the honorable member suggest the substitution of the word "consumer" for "public"?

Mr. JOSEPH COOK.—I think that it would be very much better.

Mr. HIGGINS.—That would raise very great difficulties. It would not include the retail dealers. If we used the word "consumer," we should narrow the provision somewhat.

Mr. JOSEPH COOK.—I do not think that the word "public" means traders at all.

Mr. ISAACS.—We must protect the individual small trader.

Mr. JOSEPH COOK.—Is that the idea underlying the use of the term?

Mr. ISAACS.—It is one of the ideas, undoubtedly. We do not wish to crush the individual trader, but to protect him.

Mr. JOSEPH COOK.—It may be that that is why the term "public" is used. But I take it that the main purpose of this Bill is to protect the public.

Mr. ISAACS.—Yes.

Mr. JOSEPH COOK.—Otherwise there would be no attempt made to interfere in the way of controlling our industries. No matter how large an enterprise may be in itself, its mere size, I take it, is not indicted under this Bill.

Mr. HIGGINS.—All goods are not "consumed." For instance, I might mention harvesters in that connexion.

Mr. JOSEPH COOK.—I am afraid that I cannot subscribe to that statement. I think that harvesters are consumed when they are worn out.

Mr. HIGGINS.—The honorable member would not consume a harvester?

Mr. JOSEPH COOK.—Certainly its usefulness may be consumed. The whole question of the relations of trade to the community is certainly involved in the term "detriment of the public." It seems to me that the first and the main principle of all these regulative provisions, as applied to trusts, must necessarily entail the fixing of the fair price of goods. That is involved in any regulative action which may be taken. No doubt the Judge who hears any case brought before him under the provisions of this Bill will fix that price in a negative way. That consideration raises the whole question as to what is a fair price from the standpoint of the great bulk of the public. What, for instance, might be a fair price for a harvester to the farmer when the machine is supplied by any trust might be deemed a "cut" price by Mr. McKay. That appears to be the case, indeed, if we can judge by our recent experience. Mr. McKay, in fixing the price of his machines, does not contemplate extending consideration to the farmer. If he could add £10 to the price of his harvesters to-morrow, and the farmers would allow him to do so, he would be very glad to add it. So would the

retail trader in disposing of any provisions that he might have to sell. His aim is to get the largest price that the public will give. When we set out to interfere with these competitive enterprises, we do not know what will be for the ultimate good of the public at large. We may believe that this and that section of the public will benefit, and yet it may be that the interference with the whole network of our competitive concerns will result in a larger aggregate loss to the public than is compensated for by any temporary or sectional gain. When we set out upon broad inquiries of this description it is not to be wondered at that the end and purpose of such legislation should be defeated by the machinations of men of skill and ingenuity interested in the defeat of its provisions.

Mr. WATSON.—Is this another “stone-wall”?

The CHAIRMAN.—Order!

Mr. JOSEPH COOK.—I appeal to you, sir, to take some notice of the honorable gentleman's remarks. For the last three days he has done nothing but interject impertinent remarks.

The CHAIRMAN.—I am sure the honorable member will withdraw the remark.

Mr. WATSON.—I was unaware until now that it is out of order to ask an honorable member a question like that. If the honorable member considers the question offensive, I shall certainly withdraw it.

Mr. JOSEPH COOK.—I do not consider the question offensive, but I take the inconsistency of it as constituting an offence. I am sorry that I should have to discuss these matters, but there is a conspiracy of silence in the Labour corner.

Mr. WATSON.—I have spoken four or five times.

Mr. JOSEPH COOK.—No matter what aspect this Bill bears, fiscal or non-fiscal, honorable members of the Labour Party are solid for it the whole time.

Mr. WATSON.—That is not a fact.

Mr. JOSEPH COOK.—With one or two exceptions. It is time for somebody to speak when we find the honorable member for Broken Hill going solid for protection. The man who of all others in this House has taunted protectionists on every occasion, is now voting solidly upon every fiscal aspect of this measure.

Mr. THOMAS.—Why does the honorable member turn on me?

Mr. JOSEPH COOK.—I am not turning on the honorable member. I should not say a word on the subject, but for the fact that, feeling himself secure in the solid support behind him, the honorable member's leader is becoming impudent. Honorable members are aware that one of the troubles of those engaged in the fruit-growing industry in New South Wales, and I suppose also in most of the other States, is that a great proportion of the fruit crop ripens at about the same time. As a consequence, the market is immediately glutted, prices fall to zero, and the whole industry is disorganized. It is one of the constant aims and ideals of the fruit-grower to so control his market as to secure a fair price for his crop, and from time to time co-operative enterprises are entered into for that purpose. Does not this constitute a monopoly in restraint of trade? Possibly the purchaser of fruit would say that it is to the detriment of the public also. Here we have a product, the market for which is regulated by a process of combination or monopolization, if honorable members please, for what I consider a very wise and proper purpose. Unless some such course is adopted, much of the fruit must go to the rubbish tip, or be sold without any profitable return. Though the action taken may be held to be to the detriment of the public, as a matter of fact, it is not ultimately detrimental, because, if the supply of fruit were at once exhausted, a demand would be set up for fruit which must be supplied from other quarters, and it is then that the detriment to the public would come in as exemplified by the increased price which they would be called upon to pay, by reason of scarcity. I hold that the regulation and control of the fruit industry in the way I have described is quite legitimate, but it corresponds in every particular to what is indictable under this provision, when it takes place on any large scale, and might be dealt with accordingly. The clause reads—

1. Any person who wilfully monopolizes or attempts to monopolize or combines or conspires with any other person to monopolize any part of the trade or commerce with other countries or among the States, with the design of controlling, to the detriment of the public, the supply or price of any merchandise or commodity, is guilty of an indictable offence.

All this shows the need for exempting the primary industries from the operation of a Bill of this kind, as was proposed by the

honorable member for Echuca. It is not intended to deal with small matters of voluntary co-operation, and the Committee made a great mistake when it declined to exclude from its operation these innocent fair and legitimate enterprises of the country, as to which there can be no monopoly in the large sense of the word, but which might, nevertheless, be brought under this Bill, by reason of the width of its provisions, and the scope of its intent. What I have described might happen in the apple industry in Tasmania, and wherever there is a glutted market for fruit or produce of any kind, and the attempt is made upon reasonable and fair co-operative lines to control the market, so as to procure a fair return for the enterprise expended in the industry. I say that as to all these matters of voluntary concern, this Bill should leave them free and unrestricted, particularly where corners of the kind cannot be established to the lasting detriment of the public. I, therefore, hope the Attorney-General, before the consideration of the measure is completed, will place some limitation upon the scope of its operations, and will try to make its provisions more fair. There is another matter connected with the penalties attaching to offences under this clause. Sub-clause 2 provides that—

Every contract made or entered into in contravention of this section shall be absolutely illegal and void.

This question was raised the other night, and I do not intend to pursue it now, but I do think that even here the Attorney-General might consider an amendment which would prevent ordinary legitimate practices entered into by innocent persons from being penalized under this provision, to the detriment of their businesses and enterprises. If a contract is to be cut into at harvest time in connexion with the supply of some agricultural implements the innocent are going to be made to suffer as well as the guilty. I do not think that is the intention of honorable members, or of those who introduced this legislation, but that must be the effect of the measure unless it is altered.

Mr. ISAACS.—It does not touch any innocent contract at all.

Mr. GLYNN (Angas) [11.10].—I am not quite sure how this clause is going to apply. Its form differs from that of the similar provision in the Bill of last year. It is wider in its scope than the clause in

that Bill. If honorable members will turn to clause 11 of the Bill of 1905 they will find that the combinations dealt with under the provisions of the clause similar to this were combinations between trusts or between a person and a trust. The reference to the trust is omitted from the clause in this Bill, so that the combination might be a combination of any two persons as well as a combination of corporations or trusts. Again, from the way in which this clause is drafted, it is quite open to this interpretation: That you must prove the intent to do the act to the detriment of the public. In other words, that there must be in the mind of the person doing the act the idea that he was to injure the public by doing it. I am speaking merely of the criminal effect of the clause. If so, it would be very hard to get a conviction. What the draftsman may have meant was that, so long as the act does result in detriment to the public, assuming that the other conditions of the clause are complied with, the guilt of the person charged is established.

Mr. ISAACS.—No.

Mr. GLYNN.—The principle adopted in construing criminal statutes is that if a section of an Act is capable of an innocent interpretation, which would result in the acquittal of the accused person, that interpretation is accepted.

Mr. ISAACS.—There is no doubt about it. I do not desire that any man should be branded a criminal unless he has a criminal intent. Later on, in some modifications of the Bill which I have circulated, I show that I think there should be a power to grant an injunction, irrespective of intent, where there is shown to be anything detrimental to the public; but so far as criminal liability is concerned, there should be none, in my opinion, unless criminal intent is proved.

Mr. GLYNN.—It seems to me that, as we go along, the Government are becoming rather shaken in their faith in the morality, as well as in the efficacy, of this measure.

Mr. ISAACS.—We have held the same view of that matter all along.

Mr. GLYNN.—The Attorney-General now admits that my reading of this clause is correct, and that it does not mean that a monopoly must be proved to be to the detriment of the public, but that the accused, in entering into combination, intended the detriment of the public. It does

not matter what the character of the combination is so long as there was no wilful design to acquire such a monopoly as would result in the detriment of the public. If that design is not proved the fact that the monopoly does result in the detriment of the public has no bearing on the question of guilt or innocence. If that is what is meant by the Government, it only goes to show that they do not believe in their own clause, because such a reading of the provision would in almost every case destroy all possibility of getting a conviction. This was not in the Sherman Act, and I do not think that it was in the Bill submitted here last year. In America the guilt is established by showing that the operations of the contractors or of a combination will injure the public. Under this clause it must be proved that there was intent to do so.

Mr. ISAACS.—Yes; for criminal purposes.

Mr. GLYNN.—I again say that these words are not in the Sherman Act, and it seems to me as if the Government are now putting into the Bill provisions in order to practically nullify its operation, as if they had modified their former degree of faith.

Mr. PAGE.—The honorable and learned member ought not to object to that.

Mr. GLYNN.—I am merely pointing out, as I go along, what the measure amounts to.

Mr. ISAACS.—There will be no nullification of the operation of the measure.

Mr. JOSEPH COOK.—When the Bill is through it will be harmless as to trusts and effective as to fiscalism.

Mr. GLYNN.—Again take the assumption that the clause really will apply as affecting trade and commerce. The Sherman Act was directed against carriers. I acknowledge that its scope may be wider.

Mr. ISAACS.—It has been decided in case after case to be wider.

Mr. GLYNN.—I cannot find these cases.

Mr. ISAACS.—I gave them the other day. For instance, the *Sugar Refining* case, and the *Beef Trust* case.

Mr. GLYNN.—I think it was decided in the *Sugar Refining* case that it did not come under the anti-trust law.

Mr. ISAACS.—Oh, no.

Mr. GLYNN.—The *United States v. Knight* is the case to which the Attorney-General refers. In the *Merger* case, which was decided on the

14th March, 1904, Mr. Justice Harlan—a Justice of the Supreme Court who, in all cases, wanted to extend the operations of the Act—gives a summary of what he considers to be the rules of law deducible from the cases up to that date. He says—

In *United States v. Knight*, it was held that the agreement or arrangement there involved had reference only to the *manufacture or production* of sugar by those engaged in the alleged combination; but if it had directly embraced Inter-State or international commerce, it would then have been covered by the Anti-Trust Act, and would have been illegal.

Mr. ISAACS.—The honorable and learned member, of course, appreciates the difference. The *Knight* case was decided as it was, because the facts only showed that they dealt with the manufacture, and not with the sale.

Mr. GLYNN.—I have read the decision of Mr. Justice Harlan. He says that it referred to the manufacture and production, and he does not talk about the sale. What he does say is that if it had directly affected Inter-State or international commerce, it would come under the Act.

Mr. ISAACS.—Exactly.

Mr. GLYNN.—Sale is not referred to. It is a strange thing that in every one of the cases mentioned in the summary, the ground of the decision was because the operations of Inter-State or international commerce were affected. The very titles of the cases show the limitation of the law because there is the *United States v. the Trans-Missouri Freight Association*. Similarly the *Addystone Pipe Company v. the United States* had to do with Inter-State traffic.

Mr. ISAACS.—The *Addystone* case answers the honorable and learned member's objection.

Mr. GLYNN.—In the case of *Pearsall v. the Great Northern Railroad Company* it was the consolidation of two railway companies. In his summary of the *Sugar Trust* case Chief Justice Fuller says—

There was nothing in the proofs to indicate any intention to put a restraint upon trade or commerce, and the fact, as we have seen, that trade or commerce might be indirectly affected was not enough to entitle complainants to a decree.

Mr. ISAACS.—Exactly.

Mr. GLYNN.—It seems to me then that very few cases will come under the operation of the measure. It must really relate to the actual transit of goods. The Attorney-General says that a mere sale is

sufficient, but I have not yet seen a case deciding that. It is significant that the object of the law is to put down competition between carriers or shippers in the Inter-State trade to the detriment of other shippers or carriers, and that almost all the cases, certainly all that I have seen, are cases turning upon the question of freights. That being so, it is obvious to honorable members that this clause is particularly limited in its operation. However, as I said, it is difficult to amend it, so that I suppose it must go for what it is worth.

Mr. SKENE (Grampians) [11.20].—I think that this clause is practically the mainspring of the Bill. Had it not been for the harvester matters receiving so very much prominence, very probably we should not have seen a Bill of this kind for a good many years. I feel that I can speak with a certain amount of freedom, because when the question of harvesters was before the House, I took considerable interest in the discussion, and did all I could to assist the local manufacturers in receiving a larger amount of protection than was proposed in the Tariff. I did so for two reasons. In the first place, the harvester was an Australian invention, and the inventor had not been able to receive anything like a comprehensive patent. In the second place, I foresaw the difficulty which has arisen in regard to the matter of invoicing. At that time my proposal was that there should be a fixed duty of £10. It would have been carried here, I believe, but for the fact that at the last moment some one converted the honorable member for Maranoa.

Mr. ROBINSON.—The honorable member for Wimmera.

Mr. SKENE.—And the honorable member for Maranoa also. I feel quite sure, however, that we shall be found voting together on this occasion. We need concern ourselves very little about the matter of the harvesters if there is anything in the statement of the Minister of Trade and Customs. He has told us that he practically broke down the combine by raising the *ad valorem* duty from £5 to £8 2s. 6d. I am quite sure that the farmers of Victoria would not object to a fixed duty of £10.

Mr. PAGE.—Would that protect the harvester?

Mr. SKENE.—I think that it would protect the harvester amply. At that time Mr. McKay, who is not a constituent of mine, and whom I only knew as having in-

troduced this machinery, came to me, and asked for a fixed duty of £15. I pointed out to him that he was asking for too much, and the reason why I had fixed upon a duty of £10. The honorable and learned member for Bendigo had moved to have a fixed duty of £15. I could not support that duty, because it seemed to me to be too high. I thought that if the manufacturers of harvesters received a fixed duty equal to 12½ per cent. upon the selling price, they would get a very fair protection indeed, and, accordingly, I moved in that direction. The position was that the duty was to have the effect of steadying the market here; at any rate, for our local harvesters. But we had no sooner passed the Tariff in that respect than they joined the combine. I suppose that they would have taken that step even if they had got the higher duty. If the Minister can say that by raising the duty to £8 2s. 6d. he has broken down the combine, of what use is this Bill? I believe that a great deal could be done in that particular way. I wish to refer to some remarks made by the honorable and learned member for Angas the other night, with regard to a conference of farmers, held in Melbourne, some time ago. He referred to some evidence given by Mr. Osborne, the secretary. I saw that gentleman on the subject at the time of the meeting. He simply gave evidence to show that he was secretary to a conference, which represented so many agricultural bodies. The meeting did not receive the attention which it would otherwise have got, for the reason that practically two meetings had been called for that evening in the same room—a meeting of dairy people as well as the meeting of the conference. There were also persons sent there who were interested in the harvester combine, and who did their best in a quiet way to render the meeting of very little value. The value of that meeting to me, however, was that it was presided over by a gentleman from my electorate, Councillor Reeseigh, of St. Arnaud Shire Council, who is one of the most consistent protectionists whom I know. He and I are very intimate personal friends, but I do not suppose that I received his vote. Both there and before he said that the agitation was being carried to such an extent that he had not only spoken against it in the district, but had come down to preside over that meeting. That was enough to show me that a reaction had taken place. Those connected with the harvesters had

been asking for a fixed duty of £25. They started here by asking for a fixed duty of £15. Some of us were willing to give a fixed duty of £10, and we almost succeeded in our purpose. But then they reverted to the original proposal, or rather improved upon it. When I left the room some of the harvester men came to me and began to explain the matter. I told them that there was hardly a farmer in the country who was not under the impression that they were getting a fixed duty of £25. Several farmers said that the harvester people had done themselves great harm throughout the country, so much so that a farmer told me the other day that he would never buy an implement of the kind from them. What has been the result of this harvester disturbance—for it has disturbed the position amongst the farmers very strongly?

Mr. DUGALD THOMSON.—It is a political whirlwind.

Mr. SKENE.—Quite so. I feel that had it not been for this harvester business we should not have seen this Bill at the present time. If any combine can be broken up by means of a duty, as the Minister has said, why not adopt that means now? If I thought that there was a combine here which was detrimental to the interests of the public and to our industries, I certainly would support the imposition of a duty to break it up.

Mr. ISAACS.—Has the honorable member read the report of the Tobacco Monopoly Commission?

Mr. SKENE.—The alleged tobacco monopoly, the honorable member means.

Mr. KELLY.—The Commission say that it is not a monopoly, that it is only a partial monopoly.

Mr. ISAACS.—Well, 99 per cent. is pretty close up, anyhow.

Mr. KELLY.—But it is said to be only 50 per cent. I will get the report and read it for the honorable member's information.

Mr. SKENE.—The other day I reminded the Minister of Trade and Customs that in the Governor-General's speech the term "alleged monopoly" is used. The existence of a monopoly in the tobacco industry has not yet been proven. Even if it does exist—and I am not aware that it does—it has yet to be proven that it is not a beneficial monopoly.

Mr. MAUGER.—It is cheapening the price of labour.

Mr. ROBINSON.—That is not correct. In New South Wales the wages have been fixed by the Arbitration Court, and they have been increased, as the honorable member knows.

Mr. MAUGER.—It is being done now.

Mr. SKENE.—I am very much surprised at the pertinacity with which the Government are pushing on with the Bill. It is not as if arguments had come from only this side. We have had arguments against the Bill from the honorable and learned member for Northern Melbourne, the honorable member for Perth, and the honorable member for Grey, who have shown Ministers what a very dangerous position we may drift into, and how little consideration has been given to this legislation. The honorable and learned member for Northern Melbourne seemed to lay very great stress upon the fact that criminal proceedings may be taken, and people landed in gaol. The terrors of gaol would very soon, I think, cease to exist, because people are not imprisoned merely to punish, but also in order to deter others from offending. If we treat people as has very often been done in this country in connexion with false statutory declarations, and so forth, the imprisonment will have no effect at all, because gaol will become what Mr. Bent has called a club. The argument of the honorable member for Melbourne Ports seems to have fallen very flat. The honorable member, we know, is very strong and pertinacious in his opinions, but he ought to pause in the face of the facts laid before us by the honorable member for Mernda and others.

Mr. MAUGER.—Where is the opposition in the face of division lists showing majorities of from seventeen to twenty votes?

Mr. SKENE.—A division list does not always indicate what honorable members' real opinions are, because of party considerations.

Mr. ISAACS.—What does indicate a man's real thought? Is it what he says or what he does?

Mr. DUGALD THOMSON.—That does not affect the argument that the Bill has been criticised.

Mr. SKENE.—A division list does not always indicate distinctly individual opinions. Honorable members, I believe, voted for the second reading of the Bill in order that the provisions might be threshed out in Committee, and the discussion

Committee has disclosed so many faults that I am astonished the measure should be proceeded with.

Mr. FOWLER.—The honorable member thinks criticism is more effective than a division list?

Mr. SKENE.—I think it is.

Mr. PAGE.—Is the honorable member in order in reflecting on divisions taken in this Chamber?

The CHAIRMAN.—I do not understand the honorable member for Grampians to be reflecting on any division.

Mr. PAGE.—What else is the honorable member doing?

Mr. SKENE.—I did not introduce this question of the divisions, and I am afraid that we have drifted into the discussion of the rather abstract question as to whether divisions are an indication of honorable members' opinions. However, I suppose it is of no use appealing to a Government, who have a strong majority perfectly willing to do their bidding.

Mr. PAGE.—The honorable member flogged us once, and we do not forget it.

Mr. SKENE.—That interjection quite bears out my argument, and I shall not say anything further on the subject.

Mr. KELLY (Wentworth) [11.34].—The first question which arises in my mind in discussing this clause is: What constitutes a monopoly? The Attorney-General has declared that the report of the Royal Commission appointed to inquire into the tobacco industry shows that 99 per cent. of the tobacco trade is under the control of a tobacco monopoly.

Mr. ROBINSON.—That is gross exaggeration on the part of the Attorney-General.

Mr. ISAACS.—I said that, as regards a portion of the trade, the monopoly went up to 99 per cent.

Mr. KELLY.—The Attorney-General did not say anything about a proportion "going up" to 99 per cent.

Mr. ISAACS.—I did.

Mr. KELLY.—The Attorney-General declared that the proportion of the trade in the control of a monopoly was 99 per cent., and I said that it was 50 per cent. in cases.

Mr. ISAACS.—The honorable member did not say "in cases"; I challenge the honorable member to say that he used the words "in cases."

Mr. KELLY.—The Attorney-General may be quite right. If I did not say so, I meant to say "in cases." I have not seen the report of the Royal Commission

for about a fortnight, but I propose to read some extracts from it. It is true that I did not use the words "in cases," just as the Attorney-General says he meant to use the words "goes up to," but did not use them. The Attorney-General said that the tobacco monopoly has 99 per cent. of the tobacco trade of Australia, and he refused to withdraw the statement. He did not say that the monopoly "went up to 99 per cent."

Mr. ISAACS.—In tobacco, it does.

Mr. ROBINSON.—It does not.

Mr. KELLY.—I shall now proceed to read exactly what the report of the Royal Commission says on the point, and then I feel sure honorable members will be careful about accepting, without inquiry, *ex parte* statements from the Attorney-General. Paragraph 7 of the report of the Royal Commission says:—

We find that the Combine is a partial, but not a complete monopoly. In plug tobaccos (local and imported) expert witnesses gave the proportion of the Combine's business compared to the total business from 75 per cent. (Q. 7088) to 99 per cent. (Q. 4229).

Mr. ISAACS.—Hear, hear; that bears me out absolutely.

Mr. KELLY.—The report says "from 75 per cent. to 99 per cent."

Mr. ROBINSON.—That is what the Attorney-General suppressed.

Mr. KELLY.—What the Attorney-General did not say was that in plug tobacco the proportion to the total business was from 75 per cent. to 99 per cent. Paragraph 8 of the report says—

In cigars the proportion controlled appears to be from 45 per cent.; statement Mr. Benjamin (Q. 5070), to 50 per cent. or 60 per cent. (Q. 4234).

Mr. ROBINSON.—Yet the Attorney-General calls that 99 per cent.

Mr. PAGE.—This is quibbling.

Mr. KELLY.—Paragraph 9 of the report says—

In cigarettes about 75 per cent. (Q. 7088, 4236, 1307).

Then paragraph 10 says—

Retailers in various cities gave proportion of total business with Combine at six-sevenths (Q. 4237), 70 per cent. to 80 per cent. (Q. 6850), 85 per cent. (Q. 6045), and practically all agreed that the majority of the most popular of both local and imported lines were controlled by the Combine.

Mr. ISAACS.—Read the next sentence.

Mr. KELLY.—The next sentence is:—

To such an extent does this exist that, so far as plug tobaccos are concerned, the Combine is a virtual monopoly.

If that will satisfy the Attorney-General—the report does not say that it is a monopoly—anything will satisfy him in making extravagant statements. The Attorney-General said that the proportion is 99 per cent.

Mr. ISAACS.—So does the Royal Commission.

Mr. KELLY.—So far as the combine as a whole is concerned, I commend paragraph 7 to the Attorney-General's consideration.

We find that the combine is a partial, but not a complete monopoly.

Mr. ISAACS.—Is that the whole of paragraph 7?

Mr. KELLY.—I have read the remainder of paragraph 7.

Mr. ISAACS.—Paragraph 7 contains a statement as to the proportion being 99 per cent.

Mr. KELLY.—As the Attorney-General well knows, I have already read the other part of paragraph 7.

Mr. ISAACS.—But just now the honorable member left out the other part.

Mr. KELLY.—I shall read it again if the Attorney-General is anxious for me to do so.

In plug tobaccos (local and imported) expert witnesses gave the proportion of the combine business compared to the total business from 75 per cent. (Q.7088) to 99 per cent. (Q.4229).

The Attorney-General may twist and turn as he pleases, but he cannot get away from the fact that he did say, and repeated, that the business of the combine represents 99 per cent. of the total tobacco business in Australia. That statement is absolutely without foundation, and as the Attorney-General is aware of the fact, I hope he will give us no repetition.

Mr. ISAACS.—I shall repeat the statement directly with some other observations.

Mr. KELLY.—I hope the Attorney-General will be able to explain.

Mr. ROBINSON.—I bet the Attorney-General dodges!

The CHAIRMAN.—I have previously called the honorable member for Wannon to order for disorderly interjections, but he does not appear to take any notice of my requests that they may be discontinued.

Mr. KELLY.—This report, which says that the tobacco combine is only a partial and not a complete monopoly, is, I think, exclusively signed by members of a party pledged to nationalize this industry, whether or not it be a monopoly.

The CHAIRMAN.—Does the honorable member intend to connect these observations with the question before the Committee?

Mr. KELLY.—I think my observations are pertinent to the question, namely, what is a monopoly? I am showing that what we have hitherto regarded as one shining example of a monopoly in Australia, is, according to a labour Commissioner's report, not a monopoly.

Mr. SALMON.—It is a virtual monopoly.

Mr. KELLY.—The report states that it is not a complete monopoly.

Mr. PAGE.—When is a monopoly not a monopoly?

Mr. ISAACS.—It appears to be when 99 per cent. of the trade is not monopolized.

Mr. KELLY.—The Attorney-General is harking back again to the 99 per cent. However, the Committee can remember exactly what is stated in the report of the Commission, and I shall not take any further notice of the statement of the Attorney-General.

Mr. SALMON.—The honorable member for Wentworth may reduce the percentage very considerably by taking in other requisites, such as pipes, supplied by the combine.

Mr. KELLY.—I am dealing with tobacco only.

Mr. SALMON.—If the honorable member goes outside tobacco, he may bring in all sorts of fancy goods.

Mr. KELLY.—But the proportion of fancy goods to the total is less than the proportion of tobacco to the total.

Mr. SALMON.—Exactly.

Mr. KELLY.—So that the absolute percentage would be less if I took in all the other different lines.

Mr. SALMON.—Exactly, but that does not affect the tobacco.

Mr. KELLY.—No; but the point with which I am dealing does not affect pipes and fancy goods.

Mr. SALMON.—No one has said there is a cigar monopoly, but only that there is tobacco monopoly.

Mr. ISAACS.—Hear, hear; that is what I did say.

Mr. KELLY.—The Attorney-General said nothing of the kind; what he said was that the combine has a monopoly of the trade.

Mr. ISAACS.—I did not.

Mr. KELLY.—What is the meaning of the Attorney-General's interjection if not

that? There were originally on this Royal Commission certain honorable members who resigned. Senator Playford resigned when he became a Minister of the Crown, and Senator Styles resigned for some other reason, while Senator Keating was away when the report was signed. I am told, though I have not substantiated my authority, that Senator Keating wired saying he could not sign the majority report. The only member of the Royal Commission who took it upon himself to issue a minority report was Senator Gray; but the singular fact is, that none of the members of the Government party to whom I referred—Senator Playford, Senator Styles, or Senator Keating—could indorse the findings of the members of the Labour Party on the Commission. In considering this clause, I should like to ask the Attorney-General what is meant by the phrase, "any part of the trade or commerce with other countries." Does that mean any fraction of our trade and commerce, or any particular line of trade and commerce?

Mr. ISAACS.—It means a part; we do not desire to wait until the trade and commerce of the country are monopolized.

Mr. KELLY.—The Attorney-General sees the difference?

Mr. ISAACS.—Suppose the monopoly is in one trade or any part of that trade.

Mr. KELLY.—Let us take a concrete instance. In the case of shoes, must the endeavour be to monopolize the whole shoe trade, or only to monopolize a section of the trade?

Mr. ISAACS.—To monopolize any part of the trade to the detriment of the public.

Mr. KELLY.—It might be one consignment of shoes.

Mr. ISAACS.—Suppose, for instance, the combine said, "We wish to monopolize the whole trade in working men's boots."

Mr. KELLY.—The whole trade?

Mr. ISAACS.—The whole trade.

Mr. KELLY.—That is what I want to ascertain.

Mr. ISAACS.—"Monopoly" means the monopoly of the whole trade and not a section.

Mr. DUGALD THOMSON.—Not when the words "a part" are used.

Mr. ISAACS.—"Monopoly" means substantially the monopoly of the whole trade.

Mr. DUGALD THOMSON.—Not when we say "a part." How would the clause operate in the case of a particular brand of cigars or tobacco?

Mr. ISAACS.—As to a particular brand—I do not know.

Mr. KELLY.—The Attorney-General sees there is a difficulty.

Mr. ISAACS.—Other provisions would have to be made to meet such a case.

Mr. KELLY.—I think there is a difficulty in the mind of the Attorney-General.

Mr. ISAACS.—None whatever. The only difficulty is that the honorable member, naturally, and without any desire to do so, does not give all the necessary factors to enable me to answer the question.

Mr. KELLY.—It may be my misfortune that I cannot for the moment put a full case to the Attorney-General. I will put it in this way: Let us assume that the tobacco combine has a monopoly in plug tobaccos. The Attorney-General would penalize it under this clause if it operated to the detriment of the public, and so operated "with intent." May I ask for the attention of the Attorney-General to this argument?

Mr. ISAACS.—I am answering a question put to me by another honorable member.

Mr. KELLY.—It seems to me that it is impossible to obtain courtesy from the Attorney-General.

Mr. ISAACS.—The honorable member must not think that he has a monopoly of my attention. If another honorable member comes to the table and asks me a question, I shall treat him in the same way as I treat the honorable member for Wentworth.

Mr. KELLY.—I always understood that the honorable member addressing the House was supposed to have the floor. I was about to put a question to the Attorney-General.

Mr. ISAACS.—Strictly speaking, the honorable member has no right to ask me questions, but I have done all I could to answer questions put to me.

Mr. KELLY.—I hoped to save time by putting a question, but in future I shall not trouble to ask questions of the Attorney-General. I wish to point out that if these words "any part of the trade or commerce with other countries or amongst the States" are to be retained—

Mr. ISAACS.—The same expression "any part" is in the Sherman Act.

Mr. KELLY.—The Attorney-General will perhaps explain what he means. I will give way to him.

Mr. ISAACS (Indi—Attorney-General) [11.46].—I should like first to refer to the

position taken up by the honorable member for Grampians. In the course of his speech he said that the only suggestion in the way of a monopoly in this country was with reference to harvesters. I have not, up to the present, dealt with that question at all, because I think it is a matter of common knowledge in this community that there are rings and trusts in Australia that require attention at the hands of the Government and Parliament, such as we are giving to them now. But when we hear, in reference to the tobacco trust, unqualified interjections that that trust has only 50 per cent. of a monopoly—

Mr. KELLY.—No; the Attorney-General made the first interjection.

Mr. ISAACS.—I made an interjection to the honorable member for Grampians when he said that there was no trust but the harvester trust. I asked him whether he had read the report of the Tobacco Commission on that point, and then the honorable member for Wentworth said that it was only a monopoly to the extent of 50 per cent.

Mr. KELLY.—Nothing of the sort.

Mr. ROBINSON.—No.

Mr. ISAACS.—I said, "99 per cent." We shall have the honorable member's speech here afterwards, and we shall see whether he did not say "50."

Mr. KELLY.—After the Attorney-General said "99."

Mr. ISAACS.—The honorable member is wrong about that.

Mr. KELLY.—I am right.

Mr. ISAACS.—Whether the honorable member said it or not, I feel confident that I am right. The point is that he said that the trust had only 50 per cent. of a monopoly. We know perfectly well that the main trade of the tobacco company in question is in plug tobacco. The principal thing in tobacco that concerns this country is plug tobacco. Cigarettes and cigars are not the commodities which the bulk of the smokers of this community like to consume. When we talk about a monopoly in tobacco we mean practically plug tobacco. I shall read, in order that we may have it on record, the testimony of the Tobacco Commission, so that it may never again be said in this House that no harm is done by the trust, and that there is no need to regulate it, and in order that there may be no suggestion here that there is not a trust that requires

attention at the hands of Parliament. I am going to read the report of the Commission as to the operations of the trust, its constitution, its ramifications, and its effect upon the public, upon the employes, and upon the tobacco growers of this country. I shall omit the references to the numbers of questions in the evidence. The Commission says:—

Your Commissioners find—That a Combine or Trust does exist in the industry of the manufacture [see statement by Mr. L. P. Jacobs, statement by Mr. H. R. Dixon, and statement by Mr. William Cameron] that it extends to the business of importation [Mr. Jacobs, also Mr. L. P. Benjamin]; that it also extends to the wholesale distribution both of locally manufactured and imported tobaccos. We find that this Combine originated in 1900, so far as its Australian branch is concerned, among certain manufacturing firms, by their securing joint interests in companies previously in competition with them. On the establishment of Inter-State free-trade consequent on the coming into operation of the Commonwealth Tariff, these interests were still further consolidated. The Australian Tobacco firms were brought into conflict by the establishment of Inter-State free-trade, and the competition became more acute, owing to a section of the Imperial Tobacco Company, or British Tobacco Trust, having commenced to manufacture in Sydney. The prospect of this competition had the effect of driving the principal Australian firms into closer combination, eventually culminating in an arrangement which embraces not only the chief Australian tobacco, cigar, and cigarette manufacturers, but is also connected with the British-American Tobacco Company of the United Kingdom and America. Each of such manufacturing businesses holds a proprietary interest in every other such business, and also in the distributing firm of Kronheimer Limited. The Australian firms completed their combination in 1903, and the final arrangement was completed in February, 1904, see Mr. H. R. Dixon's statement. We find that the Combine is a partial, but not a complete monopoly. In plug tobaccos (local and imported) expert witnesses gave the proportion of the Combine's business compared to the total business from 75 per cent. to 99 per cent.

Mr. KELLY.—That is 75 per cent., does the honorable gentleman see?

Mr. ISAACS.—Yes; not 50 per cent.

Mr. KELLY.—I did not say 50 per cent. in that connexion.

Mr. ISAACS.—The main business of the trust is in plug tobacco. The report goes on—

In cigars the proportion controlled appears to be from 45 per cent., statement Mr. Benjamin, to 50 per cent. or 60 per cent. In cigarettes about 75 per cent. Retailers in various cities gave proportion of total business with Combine at six-sevenths.

That is about 85½ per cent—

And practically all agreed that the majority of the most popular of both local and imported

lines were controlled by the Combine. To such an extent does this exist that, so far as plug tobaccos are concerned, the Combine is a virtual monopoly. As regards the making of cigars, the Combine appear to have a monopoly right of very valuable labour-saving machinery, which gives them an immense advantage over their competitors, and is apparently rapidly eliminating competition. In cigarettes the Combine has a practical monopoly, so far as machine-made cigarettes are concerned.

As regards Question Number 2—

Your Commissioners find that the amalgamation of interests, the centralizing of factories, and concentration of distributing agencies has resulted in great economy of production, and must have consequently largely increased profits to those firms comprising the Combine. There was generally a decided objection on the part of the witnesses interested in the Combine to disclose its profits. Returns supplied by Mr. Fergusson, Chief Inspector of Excise, Melbourne, show in 1903 12 tobacco, 75 cigar, and 16 cigarette factories; in 1904 return shows that these had decreased to 11 tobacco, 68 cigar, and 14 cigarette factories, a decrease of 10 factories in one year. That this decrease was not due to any falling-off in demand or production is shown by the fact that the local manufacture of all forms of tobaccos increased from 6,601,015 lbs. in 1901 to 7,556,416 lbs. in 1903, and to 7,790,157 lbs. in 1904; and the number of employes increased from 2,662 in 1903 to 2,816 in 1904. Fifty per cent. of the leaf used in New South Wales in 1904 was worked in one factory; in Victoria nearly 80 per cent. of total leaf was worked in one factory; in Queensland 60 per cent., and in South Australia 80 per cent. was so worked, showing that the figures in the return as to the number of factories in existence are largely illusory, the great majority of them being small cigar manufacturers, and the output of their factories being insignificant when compared with the factories controlled by the Combine. The return alluded to shows that one other substantial factory has been closed in the year 1905, whilst six small manufacturers have used no leaf for that year.

I turn to the question of the effect of the trust upon the operatives. The report says—

As to the effect of the combination on the operatives, four representatives of those engaged in the making of plug and twist tobaccos who gave evidence were in agreement that conditions generally were worse now than before the combination. These complaints refer to inadequate and reduced wages, the substitution of female labour for male labour at lower rates of pay than male labour, humidity of atmosphere of factories, and power of Combine to dictate terms and conditions owing to the absence of competitors.

In other words, this combine, not only has in its grip the consumers of this country, but also the operatives.

Mr. ROBINSON.—How can it be so, when there are Wages Boards and an Arbitration Court?

Mr. MAUGER.—No Wages Board in this trade in Victoria.

Mr. Isaacs.

Mr. ISAACS.—The report goes on—

Explanations were given by witnesses for the Combine in respect to some of these charges, but were unsatisfactory to the Commission, and inspectors gave qualified contradictions to the statements *re* humidity of atmosphere. We find generally that wages have been in some instances reduced; that the number of females employed has increased; that in some cases they receive less than men on similar work; that the atmosphere in two of the principal tobacco factories is kept at a high state of humidity (see a Return handed in in reply to Q. 5034, showing an unusually high percentage of sickness among the employes of one of the factories); and that the lessening of the number of competing employers has placed the employes more completely under the control of the dominant employer.

Now comes the effect upon the Australian grower—

We find that the effect of the combination on the grower of tobacco leaf has been disastrous; that better prices ruled when the factories were more numerous. Evidence has been given of co-operation among the manufacturers in fixing the price of Australian leaf prior to the formation of the Combine; the gradual decrease in the number of factories giving greater facilities for such co-operation. The culminating combination of all the large buyers in the Commonwealth has practically placed the growers absolutely at the mercy of the Combine. The establishment of Inter-State free-trade should have been of immense benefit to the growers, but the evidence shows that not only has there been no improvement, but their position is worse than formerly. The growers complain that they are practically restricted to one buyer; and much of the evidence given tends to prove that the Combine has used this advantage to give less than a fair value for the leaf.

Then the Commission gives a paragraph with statistics about the quantity of tobacco grown, which I pass over. Then we come to the consumer. The Commission says—

As to the effect on the consumer we find that prices have been raised to the retailer, and by a reduction in the size and weight of the plugs or sticks this increase has wholly or partially been passed on to consumer. The Combine attributes the rise to the alteration effected by the Federal Tariff. We find, however, that the result of that Tariff was generally to improve their position by (a) giving them free access to all the States in the purchase of Australian leaf; (b) giving them access to all the States in the sale of their manufactured products with substantial protection against imported tobaccos. In addition to this one brand of plug tobacco was raised in price in May, 1903, obviously not by the operation of the Federal Tariff. We also find that whilst there have been slight increases in some lines of imported cigars, controlled by the Combine, there has been great cutting of prices by them in cigars locally made, and controlled by them. We find that in some States there has been a deterioration in the quality of the tobacco manufactured. Conclusive evidence was given showing that the Combine has laid down a rule that

no purchases can be made from the factories controlled by it, but all goods produced by them must pass through the distributing firm of Kronheimer Limited.

I should like honorable members to notice this in particular—

The connexion with the British-American trust enables the combine to carry out the same system in regard to imported goods the product of that trust; and the popularity of the goods thus controlled, together with the effective organization, enables the Combine to enforce terms and conditions of sale which the independent firms are unable to obtain, thus giving the combined firms a still greater financial advantage over the independent firms.

In paragraph 31 of the report, the Commissioners say—

Your Commissioners are of opinion that it would be utterly useless to attempt to regulate this combine by any alteration of the Tariff, as the evidence shows that the chief tobacco firms of America and the United Kingdom are connected with the Australian combination; in one case are the chief shareholders in the Australian company; in others hold large proprietary interests; and the competition would, therefore, be that of allied interests.

In the main department of the business of the trust they control about 99 per cent. of the trade, and in other departments about 85½ per cent.

Mr. ROBINSON.—The honorable and learned gentleman sticks to his statement that the combine controls about 99 per cent. of the tobacco trade.

Mr. ISAACS.—I stick to the statement that it controls about 99 per cent. of the trade in plug tobaccos, and I have read every word, I think, material to the justification of those figures.

Mr. DUGALD THOMSON.—Has the honorable and learned member read the evidence?

Mr. ISAACS.—Not the whole of the evidence attached to the report, but I have glanced at it casually as it has appeared from day to day. I have read the finding of the Commission, and whether the actual figures are right or wrong, that finding ought to be respected by the Committee. It shows that there is strong reason to believe that there is in our midst—I am stating the case very mildly indeed—a great aggregation of commercial power, which is being used for the benefit of individuals, utterly regardless of the effect upon the people of Australia, as consumers, producers, workers, or traders. It would be a lamentable thing for the country if we did not attempt to cope with this evil, and I am very proud to be associated with a measure which makes the attempt. I have

been asked to say what I understand by the term monopoly.

Mr. DUGALD THOMSON.—The monopoly of part of a trade.

Mr. ISAACS.—I will deal first with monopoly alone. Monopoly has been defined as an attempt to secure or acquire an exclusive right in trade or commerce by means which prevent or restrain others from engaging therein. It was said this morning by the honorable member for Parramatta that a patent is a monopoly, and, in one sense, it is; but it is not a monopoly in that sense. A man is given a patent because he has discovered something which would not have been invented or discovered but for his efforts, and, in return for the patent, he gives to the community the benefits accruing from his discovery or his ingenuity—the work of his brains. He gives in return for his patent something which the public would not be able to enjoy if they did not get it from him.

Mr. JOSEPH COOK.—It is something which he could keep from the public if he chose to do so.

Mr. ISAACS.—If an inventor did not choose to disclose his secret, the community would be so much the worse off; but he says, in effect, "Here is something I propose to give you, but on terms."

Mr. JOSEPH COOK.—After an inventor has disclosed his secret, he may, if he patent it, withhold its advantages from the community, supposing that he chooses to do so.

Mr. WATSON.—Only for a limited time.

Mr. ISAACS.—Yes. The law says, to encourage persons to seek out inventions for the benefit of the public, that those who, by exercising their brains, evolve some new thing for the benefit of their countrymen and of the world at large, shall have the exclusive right to use it for a certain period. It must be remembered that an invention is the inventor's own property; but a monopoly occurs when some one says to his fellows, not "I will give you something," but "I will take away from you something which you possess."

Mr. WATSON.—The monopolist creates nothing.

Mr. ISAACS.—That is so; and he takes from others something which they have a right to possess. That is the distinction. A patent is a monopolistic right, given to an inventor as a reward for a valuable discovery, which he must, eventually at all

events, share with the public, to whom the arrangement is beneficial.

Mr. WATSON.—It would probably be beneficial even if the community had to wait fourteen years before it could use the invention.

Mr. JOSEPH COOK.—That does not affect my statement that a patent is a monopoly.

Mr. ISAACS.—It is a monopoly only in something which has never been available to the community.

Mr. WATSON.—A man has a greater right to monopolize something which he himself has created than to monopolize the product of another's brain.

Mr. JOSEPH COOK.—That is individualism and anti-Socialism.

Mr. ISAACS.—There is a radical distinction between the granting of a patent and allowing a man to usurp the field where others' rights are concerned. It is the monopoly with which we wish to deal. When we speak of a part of the trade, we say, in effect, that we shall not wait until a man has declared that he is going to grasp the whole of the trade of the Commonwealth, but that, if he takes any part of it belonging to other persons, and endeavours to exclude them to the detriment of the public, he will come within the scope of the Bill. I do not know that there is any other question to which my attention has been directed, and, under the circumstances, I ask that the matter may be decided as soon as possible.

Mr. ROBINSON (Wannon) [12.7].—The Attorney-General's reply to the remarks of the honorable member for Wentworth was characteristic. He at first denied that he had said that the tobacco combine controls 99 per cent. of the trade; then he quoted from the majority report of the Royal Commission on the tobacco industry, and he wound up by declaring that it is true that the combine controls 99 per cent. of the tobacco trade. Thus, in a short speech, he went from "yes" to "no," and back to "yes." Let us consider what he referred to as the evidence upon which he based his statement. He had the effrontery to say that the majority report of the Commission is evidence of the facts which he alleged to exist. All that it is evidence of is the opinion of those who signed it. If we refer to the evidence attached to the report, to which he has not paid the slightest attention, we shall see that the

facts are not as he has stated them to be. He knows that the four gentlemen who signed the majority report were pledged to the nationalization of the tobacco industry before they accepted their commissions.

The CHAIRMAN.—I understand that the honorable and learned member wishes to show that the tobacco combine is not a monopoly, and should not come within the operation of the clause. He will be perfectly in order in doing that, but I cannot allow him to discuss the report of the Royal Commission on the tobacco industry.

Mr. ROBINSON.—I do not wish to discuss the report. I am about to show that the statements of the Attorney-General are not borne out by the evidence given before the Commission.

Mr. ISAACS.—I did not raise that question.

Mr. ROBINSON.—The honorable and learned gentleman quoted the majority report as evidence that the tobacco combine controls 99 per cent. of the trade. Paragraph 7 says that—

In plug tobaccos expert witnesses gave the proportion of the combine's business compared to the total business from 75 per cent. to 99 per cent.

The honorable and learned gentleman declared that that statement proves that the combine does 99 per cent. of the plug tobacco trade, but, on turning to the evidence, I find that the statement which I have read is based upon the statement of a dealer in tobacco to the effect that 99 per cent. of his business is done with the firm of Kronheimer Limited, or with the combine, not that 99 per cent. of the trade is controlled by the combine.

Mr. MAUGER.—That is not the only evidence.

Mr. ROBINSON.—That is the evidence relied upon by those who signed the majority report. There is substantial evidence for the conclusion that 75 per cent. or thereabouts of a particular trade is in the hands of the combine; but in saying that 99 per cent. of the whole trade is in their hands the Attorney-General was making a statement which is without justification. When pressed he said that the trade in cigars and cigarettes is trivial, and such as no one would take notice of; but if he had read the evidence, or even the report, he would know that the manufacturing cost of the tobacco made is £384,000. of the cigars £66,000, and of the cigarettes £171,000, so that the manufacturing cost of cigars and cigarettes is about 40 per

cent. of the total manufacturing cost, and their production cannot be deemed an unimportant branch of the industry, because the manufacturing cost is a rough guide to the proportions of the various manufactures to the whole trade. If he had read the report, instead of merely glancing at paragraphs picked out for him, he would know that 425,000,000 cigarettes and over 18,000,000 cigars are annually made in Australia.

Mr. WATSON.—The combine has a practical monopoly of the tobacco trade of Australia, and the honorable and learned member cannot deny it.

Mr. ROBINSON.—I do not deny that the bulk of the trade in plug and cut tobacco is in the hands of the combine.

Mr. WATSON.—And in the manufacture of cigarettes and the distribution of cigars.

Mr. ROBINSON.—I do not deny that the greater proportion of the cigarette trade is in the hands of the combine.

Mr. WATSON.—Practically, the whole of it.

Mr. ROBINSON.—The honorable member is in error there, because the most popular brand of cigarettes in Australia is the hand-made manufacture of Messrs. Snider and Abrahams, a firm which, notwithstanding the combine, has grown from very small dimensions to be a prosperous business.

Mr. WATSON.—At least 75 per cent. of the cigarette trade is in the hands of the combine.

Mr. ROBINSON.—I have not denied that.

Mr. ISAACS.—The Commission says so.

Mr. ROBINSON.—The Attorney-General means that the majority of the Commissioners say so. Mr. Benjamin, a member of the combine, stated that its proportion of the cigar trade is about 45 per cent. Let us now deal with the alleged iniquitous operations of the combine, which have been put forward as a justification for the Bill. I say without hesitation, having read more of the evidence than has been read by any other honorable member, that the statements in the majority report are not borne out by the testimony of the witnesses. In justification of that assertion, I will refer, first, to what is said on the subject of wages and the conditions of labour. The majority report on this question is an absolute travesty of the evidence.

The CHAIRMAN.—If the honorable and learned member wishes to use arguments to show that the combine is not a trust, he is at liberty to do so; but I cannot allow him to discuss the report of the Commissioners.

Mr. ROBINSON.—All I wish to do is to refute the statement of the Attorney-General that the evidence taken before the Commission discloses the fact that labour has been crushed by the tobacco combine.

Mr. MAUGER.—It has been shamefully crushed.

Mr. ROBINSON.—The wages paid and conditions observed in the tobacco trade in Sydney were recently reviewed by the Arbitration Court of New South Wales.

Mr. MAUGER.—Never mind Sydney.

Mr. ROBINSON.—I shall presently deal with Melbourne conditions, too.

The CHAIRMAN.—Is the honorable and learned member endeavouring to show that this is not a monopoly?

Mr. ROBINSON.—Yes, and that the baneful effects of its operations, alleged by the Attorney-General as a reason for this clause, do not exist. The Judge of the Arbitration Court of New South Wales, in declaring the unanimous verdict of the Court, said that the operatives in the trade are among the best paid of any in an industry in Australia, and that they work under the best conditions.

Mr. MAUGER.—He did not say that in reference to the male operatives.

Mr. ROBINSON.—I have read the judgment very carefully, and I say that the unanimous decision of the Court was that the operatives, both male and female, enjoyed better conditions of labour and more holidays than almost any other body of employes in Australia. Coming to Victoria, both the evidence given before the Commission, and the records taken from the wages books of the various factories, showed a steady increase in the remuneration of the operatives. It is a fact that, although the employers in the industry have recently said to their men, "Ask the Government to appoint a Wages Board, and we will back up your request; you have our written consent to the appointment of a Wages Board," the latter have refused to take action.

Mr. MAUGER.—I will tell the honorable and learned member why.

Mr. ROBINSON.—Evidently it is because they do not think they would obtain

any better wages than they are receiving to-day.

Mr. MAUGER. — They have refused to take action because the law provides that the average wage of the trade shall be the standard, and there is no average other than that fixed by the combine.

Mr. ROBINSON.—The honorable member is again making a statement which is not correct. Increases in wages have been granted throughout the trade. The records of the wages sheets were produced before the Commission, and sworn to.

Mr. MAUGER.—What is the average wage that is now being paid?

Mr. ROBINSON.—It is about 12½ or 15 per cent. better than it was five years ago.

The CHAIRMAN.—Does the honorable and learned member for Wannon think he has yet shown that the question of the wages paid in the tobacco industry is relevant to the clause under consideration?

Mr. ROBINSON.—The Attorney-General mentioned what he called facts, but what I designate fictions, for the purpose of showing that this clause was necessary. I wish to prove that his statements are not in accordance with facts, and that, consequently, there is the greatest possible justification for limiting the operation of this clause.

The CHAIRMAN.—The honorable and learned member will be perfectly in order in doing that.

Mr. ROBINSON. — I now propose to deal with the question of the prices of tobacco in Australia. In passing, I may remind the Committee that there were seven members appointed to the Tobacco Commission, including two members of the Government. Neither of the latter, judged by their demeanour throughout the hearing of the evidence, evinced the slightest inclination to sign any report in favour of the nationalization of the industry. The minority report states—

Mr. ISAACS.—Who signed the minority report?

Mr. ROBINSON.—Senator Gray. The Attorney-General's colleague was absent at the time getting married, and he sent a telegram to the Commission saying that he had married a wife, and therefore could not attend. He also stated that he could not sign the majority report. Senator Styles resigned his position upon the Commission a few weeks before its labours terminated.

Mr. ISAACS. — Senator Styles has the courage of his opinions. He has rendered very good service to this country.

Mr. ROBINSON.—The minority report, in referring to the question of prices, says—

It was not denied that there had been a slight increase in the price of tobacco of recent years, and the manufacturers claimed that the increase was due to the Federal Tariff.

It then goes on to show that the import and excise duties upon tobacco were raised by the Federal Tariff. It points out that in New South Wales the duty on imported manufactured tobacco was increased by 3d. per lb., and the duty and excise on tobacco locally manufactured from imported leaf by a similar amount. In Victoria the duty on imported manufactured tobacco was increased by 3d. per lb., and the duty and excise on tobacco locally manufactured from imported leaf by 9d. per lb. In South Australia the duty of imported manufactured tobacco was increased by 6d. per lb., and the duty and excise on tobacco locally manufactured from imported leaf by 10½d. per lb. These figures show a very heavy all-round increase in the duties levied upon tobacco. The report continues—

These increases of duty far outweigh the benefits conferred by Inter-State free-trade. An essential fact in this regard has also been ignored, and that is the rise in the price of American leaf which would undoubtedly have caused a further rise in price to the consumer, but for the economies which combination enabled the manufacturers to effect.

The report goes on to show that the independent manufacturers themselves, including Messrs. Dudgeon and Arnell, and the Tobacco Company of South Australia, raised the prices. Why? They were not in the combine, but they were compelled to raise their prices because the cost of their raw material had been increased, and because of the extra duty which they were required to pay. Yet the Attorney-General would have us believe that the reason underlying the increased price of tobacco was that the combine was extorting more money from the public. I say that a perusal of the evidence of the independent manufacturers who are hostile to the combine, shows that the increase in price was due to circumstances entirely beyond the control of the manufacturers, irrespective of whether they were inside or outside the combine. Then we have been told that the effect of the existence of the combine is disastrous to the grower. The Minister of Trade and Customs made the same

statement during the course of his speech upon the second reading of the Bill.

Mr. FRAZER.—It is a fact, too.

Mr. ROBINSON.—There is no statement which has been more frequently repeated, and I venture to say that there is none which has been made with less justification. To assume that the combine is doing its best to kill the local growers of tobacco is to assume that it is voluntarily paying £480,000 per annum for the sole purpose of destroying a few individuals, and of forcing them into dairying or other pursuits. Does any man with an ordinary grain of common sense believe that the combine would pay away such an enormous sum each year if it were not compelled to do so? The tobacco growers in Australia number only some 200 or 300 at the most. Surely the proposition is the most absurd one that has ever been advanced! If the evidence tendered to the Tobacco Commission be scrutinized, it will be found that a number of growers declare that they are at present getting a better price from the combine than they have received for many years past. I do not assert for one moment that the combine is composed of saints and angels, but I do say that the statements made by the Attorney-General, and by others, to the effect that, by reason of its existence, the conditions of the operatives in the industry have been made worse, that wages have been lowered, that the growers have been driven off the land, and that prices have been raised to the consumer, are not borne out by the evidence. I tell the Attorney-General that he would not dare to bring the combine before any Court for a breach of the law upon the evidence tendered to the Tobacco Commission. When we analyze that testimony, we find that most of the allegations made against the combine are either based upon hearsay evidence, or relate to something which took place many years prior to the formation of the combine. I say unhesitatingly that no evidence was forthcoming which would lead any Justice of the High Court, or of the Supreme Court, or of the County Court—indeed, I might include even the most newly-appointed justice of the peace—to regard the combination as being hostile to the growers. To assume that it is hostile to them is to assume that the combine does not know upon which side its bread is buttered, and that it is not in the business for the purpose of making money. There was absolutely no evidence forthcoming that any in-

crease in the price of tobacco has been due to the action of the combine, but there was overwhelming testimony to the contrary. Consequently the allegations of the Attorney-General do not justify the inclusion in this Bill of the clause under consideration. The honorable and learned gentleman, having raised the discussion, is himself to blame for the fact that time has been occupied in exposing his inaccurate statements.

Mr. KELLY (Wentworth) [12.27]. — I desire to make a personal explanation. The Attorney-General this morning interjected, while the honorable member for Grampians was speaking, that one of the reasons which had prompted the introduction of this Bill was that 99 per cent. of the tobacco trade of the Commonwealth was in the hands of the tobacco combine. In reply, I went to the other extreme, and said that the combine did not control more than 50 per cent. of that trade. The Attorney-General now says that my statement preceded his. Through the courtesy of the leader of the *Hansard* staff, I have obtained a copy of the interjections bearing upon this portion of the debate, which were recorded by the *Hansard* reporter. I find that the first of these interjections was made by the Attorney-General, who asked—

Has the honorable member read the report of the Tobacco Monopoly Commission?

Thereupon the honorable member for Grampians replied—

The alleged tobacco monopoly, the honorable member means.

I then interjected—

The Commission say that it is not a monopoly, that it is only a partial monopoly.

The Attorney-General then said—

Well, 99 per cent. is pretty close up, anyhow.

And in reply, I stated—

But it is said to be only 50 per cent. I will get the report and read it for the honorable gentleman's information.

I was partly wrong in saying that the combine controlled only 50 per cent. of the tobacco trade of the Commonwealth, and I withdraw the statement. But the report which I have read shows that the Attorney-General's statement as to the percentage of the trade which the combine controlled was made before I said that it controlled only a very much lower percentage.

Mr. ISAACS.—I do not dispute that.

Mr. DUGALD THOMSON (North Sydney) [12.29].—Now that this little dispute

between the honorable member for Wentworth and the Attorney-General has been satisfactorily settled, perhaps I may direct a few remarks to the clause itself. It seems to me that the provision differs from previous clauses with which we have dealt, in that unfair competition is not required to establish the fact that a monopoly is detrimental to the public or to an Australian industry. The simple circumstance that a monopoly exists with the intent of controlling, to the detriment of the public, the supply or price of any wares or commodity makes an indictable offence. It has already been pointed out that the portion of the clause which refers to "a part of a trade," is very vague indeed, and the Attorney-General, in his replies, did not throw much light on the matter. For instance, the honorable and learned gentleman was asked whether if a particular portion of the boot trade was monopolized by one manufacturer, that would bring him under the penalties of the clause. His reply was that it would if the manufacture of workmen's boots was entirely monopolized by one maker, and he committed the offence of controlling the supply or price to the public.

Mr. ISAACS.—To the detriment of the public.

Mr. DUGALD THOMSON. —Just so, to the detriment of the public. I will submit a further illustration. Parts of a trade are often controlled by brands. The tobacco monopoly, to which the honorable and learned member has alluded, is largely one of brands. Because of the superiority of the article, better advertising or greater enterprise in pushing of the goods, certain brands obtain a hold on the market, and the manufacturers who hold those brands become monopolists, not by any direct action of their own, but as the result, it may be, of superior business qualifications. They may raise the price of these goods, and the public may be prepared to pay the increased price, but the question is whether under this clause that would be considered a monopoly detrimental to the public.

Mr. ISAACS.—We should require more facts to decide that. I do not think it possible to imagine a case unless you have all the facts. This clause does not, of course, deal with the monopoly of brands, but with the monopoly of goods — trade and commerce.

Mr. DUGALD THOMSON.—Yes, but the tobacco monopoly is largely one of

brands. The honorable and learned gentleman may be acquainted with the business.

Mr. ISAACS.—I have not much knowledge of the tobacco business.

Mr. DUGALD THOMSON.—Not perhaps as a consumer, but the Attorney-General may have come in contact with the business, and may know that monopoly is largely secured in this trade by ownership of certain brands which are popular with the public. In the majority report of the Tobacco Commission, we find the statement made that the most popular goods are in the hands of the trust.

Mr. ISAACS.—The honorable gentleman will see that there may be a rightful control of brands, which everybody who has a trade mark has, but if the trader uses that, and its popularity, and also endeavours to prevent other persons selling other goods of the same kind, though under a different name, it is clear that he is endeavouring to monopolize the trade in those goods.

Mr. DUGALD THOMSON. — The words "part of the trade" in this clause introduce some very complicated questions.

Mr. ISAACS.—I may add, in answer to the honorable gentleman's question, that the very fact that a trader has got a particular brand, might be one of the instrumentalities by which he would be enabled to monopolize the trade in the goods. He would not know exactly whether his goods, or other people's goods, were being sold.

Mr. DUGALD THOMSON.—Might I point out to the honorable and learned gentleman that this is a perfectly legitimate monopoly. In just the same way the Attorney-General, possessing certain high qualifications for the practice of his profession, may, at the Bar, by reason of these qualifications, monopolize a portion of the business or a particular branch of the business in which he is engaged.

Mr. ISAACS.—But I must not say to those who employ me—"You must not employ anybody else."

Mr. DUGALD THOMSON.—Certainly not. But if a brand obtains a reputation it does so because its quality suits the taste of those who use the goods, and if, owing to that reputation, it monopolizes a considerable share of the business, which is largely the case in the tobacco trade, that is not a monopoly, unless it is shown that some action is taken by the trust or firm handling the article, which prevents the competition of other brands, or which pre-

vents the sellers of a particular brand giving the public an opportunity to obtain similar goods bearing that brand.

Mr. ISAACS.—All I can say is that you get the facts and apply the section. If there is a monopoly or an attempt to monopolize, or a combination to monopolize "any part of the trade or commerce," and so on with the intent to control "to the detriment of the public the supply or price," and so forth, it comes within the section. I cannot say any more. We must apply the section to the facts. I should like to add that if the honorable member will look at the corresponding section of the Sherman Act, he will find that our clause is much milder. There is no reference to intent in the Sherman Act. There is a reference to a part of a trade, and to attempts to monopolize, but our clause is much milder, because, I believe, as I said before, that there should be no criminal consequences without criminal intent.

Mr. DUGALD THOMSON.—I might say, with reference to the honorable and learned gentleman's remarks in connexion with the tobacco monopoly, that the report from which he quoted was that of the majority of the Commission, and it is the report of the honorable members who were committed before they took their seats on the Commission to the nationalization of the industry.

Mr. ISAACS.—I can appeal to the honorable member, who speaks fairly on the subject, to do them the justice of saying that the question of remedy has nothing to do with the finding of the existence of any evil. The mere fact that some honorable members thought that an industry should be nationalized would not influence their minds in such a way that they would be induced to find facts contrary to the evidence submitted to them.

Mr. DUGALD THOMSON.—From the opportunities I have had to look through their report, I think that some of their findings are absolutely contrary to the evidence. I am not defending the operations of the tobacco firms. As a matter of fact, when the Tariff was before us, I voted against the Attorney-General and others, and in favour of reducing the advantages proposed to be given them, and which largely enabled them to establish a partial monopoly. Had the duty been reduced as I desired, the combine would not have had the same opportunities to establish their partial monopoly, that they had in

the high preference given to them under the Tariff. But if we are to have many Commissions like the Tobacco Commission, which, from one cause or another, dwindled down to four members—

Mr. ISAACS.—Five.

Mr. DUGALD THOMSON.—Four committed to a certain view, and one only who was not committed to that view before the inquiry was started. Such Commissions must be not only expensive, but also valueless for the purpose for which they are appointed. There is another point to which I direct the attention of the Attorney-General. It seems to me that the clause as it stands might interfere with the rights of a patentee under a patent. This will be the later legislation, and it distinctly provides that a person shall not monopolize or endeavour to control the supply or price of merchandise to the detriment of the public. Patentees, or those selling under patent rights, usually obtain large profits on the articles which they sell. That, of course, is, in one way, to the detriment of the public, and a reduction of those profits would be to their benefit. Is that to be considered wrong under this clause?

Mr. ISAACS.—It does not come under it. The honorable member must see that to monopolize in the sense implied by the use of the word in this clause, means to take away from somebody else what he has. If I have a patent and have the exclusive right to use it from the beginning, nobody can suffer loss who has never had that right. I cannot monopolize from any one else what he never had.

Mr. DUGALD THOMSON.—But it would be possible to monopolize a trade or part of a trade in consequence of the possession of a patent right. As a safeguard against the difficulty I have pointed out, I suggest to the honorable member that it might be desirable to make it clear on the face of the clause, that operations under a patent right cannot come under it.

Mr. ISAACS.—If we put in patents we must put in trade marks and all sorts of things, and we might thus give a meaning to the clause in some unexpected way which would put in peril the people whom the honorable member desires to protect.

Mr. DUGALD THOMSON.—It occurred to me that we might insert after the word "person" the words "not acting under patent rights."

Mr. ISAACS.—I do not think that is necessary for the honorable member's purpose, and it might lead to danger. If you express one thing and do not express everything, there is a danger that things might crop up unexpectedly which might be held to be within the section.

Mr. DUGALD THOMSON.—That is an argument I used against the honorable and learned gentleman himself at an earlier stage of the Bill, in regard to the jury.

Mr. ISAACS.—Whether or not it is a good argument depends entirely upon its application. I yielded to what the honorable gentleman said on the occasion to which he refers.

Mr. DUGALD THOMSON.—I should like to be sure that the Attorney-General is absolutely satisfied that the operation of this clause will not interfere with rights under a patent.

Mr. ISAACS.—I am as satisfied as I can be. I fully think so. There is no suggestion in America that that difficulty arises, although the words are used in the same way in the American Act. No one there has ever suggested that they would apply in the way mentioned by the honorable member.

Mr. DUGALD THOMSON.—If the clause would so apply, the honorable and learned gentleman will admit that, appearing in a later Act, it would override the provisions of an earlier Act.

Mr. ISAACS.—Yes, it would.

Mr. DUGALD THOMSON.—I think the honorable and learned gentleman might look into the matter.

Mr. ISAACS.—I shall look into it very carefully, and shall satisfy myself on the point so far as I can.

Mr. DUGALD THOMSON.—The Attorney-General should satisfy himself that the clause will not interfere with patent rights. I trust that if on examination he finds that there is any danger he will make such provision as will secure the maintenance of rights under patent.

Mr. HENRY WILLIS (Robertson) [12.45].—I find that the Minister is still persevering in his endeavour to pass this legislation, notwithstanding the arguments used last night against its enactment. I did hope that he would come down to-day with amendments different from those which he has brought forward, although certainly there is an improvement in what he has proposed this morning. I have gone through

the amendments very carefully, and I can see that he has yielded a little.

Mr. ISAACS.—I do not mind doing anything to meet the views of honorable members, so long as we keep to the essential principles of the Bill, and leave it effectual for what we want. I do not wish to do anything more than is necessary.

Mr. HENRY WILLIS.—I wish the Minister could see his way to carry out the wishes of the Opposition, who he must admit are in earnest, and make the Bill to suit them, because their object is the same as his own, I take it—that is, to stamp out destructive monopoly. He is an astute lawyer, but he cannot possibly have had the same experience as honorable members on this side, who have devoted a lifetime to commercial affairs, who know the intricacies of business, and the value of trade secrets which are used in connexion with all kinds of manufacture, and who are well aware that if he persists in carrying the Bill as here drafted it must end in the destruction of manufactures and industries rather than the development of them. When a man starts in business, is it not his object at first to make a living? In the making of that living there is an increasing demand for his goods, until at last he can employ a great many more men than he did at first. But in the beginning the product of his labour is his wages. A man will work for what he can earn. If by competition from outside his earnings are small, it may be said by the Minister that the man is not getting a living wage, but because he works so much longer and gets a smaller yield than formerly he was able to obtain, any competitor—for instance, a keener man of business, with wider experience—

Mr. WEBSTER.—Or a meaner man of business.

Mr. HENRY WILLIS.—By that term I take the honorable member to mean a man who is sparing in the use of everything, so as not to give to his goods quite the quality which another man is able to give by his more primitive process. Very often the product of a primitive process of manufacture is a superior article, but it evokes no demand, because it is so much more expensive to produce. Take the primitive process of making boots, bricks, pottery, or any other article. The products may be much superior in quality, but they could not possibly be produced in competition with the yields of up-to-date machinery. It is possible for the maker of a high-

class cigar to command a trade for his brand. It is quite possible for a man in a small way of business to acquire a monopoly in the manufacture of certain cigars. It is also possible for a man to have a monopoly in the curing of the leaf, which is an important element in giving flavour to the cigar. Under this Bill, the Minister would stamp out these industries, which are in fair competition, because a man has a monopoly in the curing of the leaf—the very thing which is required in the tobacco industry of Australia. I have been all through Australia where tobacco leaf is grown. An imported Chinese is able to produce the tobacco plant much more effectively and successfully than a European. But the latter can cure the leaf much more advantageously and satisfactorily than can the former. One would have a monopoly in producing the plant, and the other in curing the leaf. Again, one man might have a monopoly in the production of cigars, and another in the production of plug tobacco. Under the provisions of this Bill, a fine of £500 would be inflicted upon a man who was perfect in the manufacture of plug tobacco or superior cigars. Take a mild cigar, for which there might be a large demand. If a brand became known as the brand of a mild cigar, it would be asked for by persons who could not smoke strong tobacco. But the producers would be indictable, and under this particular provision liable to a fine of £500. The effect might be to stamp out the small producer, because he had a monopoly on a particular part of the industry. A scientist has discovered a most interesting process by which white lead can be produced at an infinitesimal cost. By mere accident he discovered that by putting pig-lead into a vat with certain chemicals, the lead would come out, and that after a process of grinding it was fit for use as white lead. I had the opportunity of sending samples of this white lead to England, where expert chemists testified to the fact that in quality it is equal to the best Champion's white lead, which is worth from £18 to £20 a ton. But under this Bill the discovery could not possibly be put into use in Australia without laying the chemist open to a fine of £500, and if he persisted, the whole of his plant, and the output of his factory would be seized, and he would be charged as a criminal, or, as the Attorney-General put

it last night, he would be classed with the garroter. As a trader he would be called a traitor, or, as the deputation pointed out to his colleague, he would be regarded as a rogue and vagabond.

Mr. ISAACS.—The honorable member is mistaken.

Mr. HENRY WILLIS.—Would not this Australian scientist have a monopoly of the Inter-State trade in white lead?

Mr. ISAACS.—He would only have a monopoly of his own invention.

Mr. HENRY WILLIS.—I inspected the process of extracting the lead from Broken Hill ore, and converting it, at a trifling cost, into white lead. There is nothing at present to prevent this gentleman from starting a factory and acquiring a monopoly of the Australian trade in white lead.

Mr. ISAACS.—The honorable member can comfort his friend with the assurance that he will not come within this Bill at all.

Mr. HENRY WILLIS.—Would not this scientist kill all the old processes of producing white lead here, and perhaps throw many men out of employment?

Mr. ISAACS.—He will not come within this Bill.

Mr. HENRY WILLIS.—In twenty-four hours this man could produce as much white lead as 100 men can produce in a year. The Bill is offering a premium to ignorance; it is keeping back the process of industrial development in Australia. I can quote other instances. At one time in Victoria there was a secret process by which white leather could be produced, and which gave a certain manufacturer a monopoly of the whole of the Australian trade, and threw out of work hundreds of men who had been employed at the older process. He secured a monopoly of the trade; but at length the nature of the process became known, and to-day the consumer is benefited from the fact that the monopoly has ceased to exist.

Mr. JOHNSON.—The Bill offers a premium to obsolete methods of production.

Mr. HENRY WILLIS.—Yes. On the last clause the Minister admitted that, because he accepted an amendment of the honorable member for North Sydney to get over a difficulty. That amendment was the best which could be introduced into a crude measure. There is only one way in which the Bill can be properly

amended, and that is by striking out this clause. There are other processes of producing leather which are trade secrets.

Mr. WILKINSON.—How did that one cease to be a monopoly?

Mr. HENRY WILLIS.—By means of prying it was discovered by some persons how the process was worked. As soon as the information leaked out, the monopoly ceased to exist, and throughout Australia to-day the production of white leather on a large scale can be carried out at infinitely less cost than it was under the old process.

Sitting suspended from 1 to 2 p.m.

Mr. HENRY WILLIS.—This clause is directed against wilfully monopolizing, or attempting to monopolize, industries as between the States. Would it apply to the quarrying industry carried on at Pyrmont, in New South Wales? No stone like that quarried at Pyrmont is to be found in any other part of Australia, so that there is a monopoly which enables the proprietors to command their own price. This stone is exported to the other States by financial and other institutions for the erection of important buildings in the principal cities, and, if this provision does apply, the effect cannot fail to be to throw hundreds of quarrymen, carters, and others out of employment in those States. The Pyrmont stone is of various qualities, one quality, which is obtained from a place called "Hell-hole," being known as "Hard-as-Hell"; and, as I have said, nowhere else in any part of the world can such stone be found. It is being used in the erection of the magnificent buildings for the Australian Mutual Provident Society, at the corner of William and Collins streets, Melbourne, and also for the beautiful banking establishment now raised at the corner of North-terrace and King William-street, Adelaide. It may here be said that wherever the stone is used it beautifies. In this industry we have a real monopoly, and I ask whether it will be prohibited under the Bill?

Mr. ISAACS.—Certainly not; it will be as safe as the white-lead trade.

Mr. HENRY WILLIS.—In the white-lead trade there has been introduced a wonderful invention, for which no less a sum than £500,000 has been offered; but, according to the Bill, this industry will not be permitted, seeing that it must constitute a monopoly, with the effect of stamping out all others in the same line of busi-

ness. In what position will the people be placed who are interested in the application of this new invention to the white-lead industry in Australia?

Mr. HARPER.—In gaol.

Mr. HENRY WILLIS.—The honorable member for Mernda knows a good deal about starch, and he is aware that the importation of rice has the effect of supplanting the trade in various meals now produced in Australia. This rice is also used in the manufacture of starch; and in the latter commodity we have a monopoly which may be said to be detrimental to the public. The monopoly raises the price of starch, and already has had the effect of throwing out of employment scores of women formerly occupied in laundries. Persons who at one time could afford to send their garments to a laundry have now, owing to the excessive price charged for colonial starch by the monopoly in Sydney and Melbourne, to wear their linen roughly washed. Is the starch monopoly to be prohibited under the provisions of the Bill? In my opinion, the starch industry will have to "go under," although it has been bolstered up for so many years by high protective duties in Victoria. The honorable member for Northern Melbourne has told us that there is a monopoly in the production of beer. I am aware that beer brewed at the Waverley Brewery, Sydney, and known as Resch's Lager, is taking the place, not only of a great deal of the imported article, but also of locally-brewed beer in the various States. The effect is that men who formerly drank, in many cases, cheap, disagreeable beer, are now supplied with a better quality, but in smaller quantities. There is no doubt that the production of this lager beer will throw out of employment many men now engaged in the brewing industry throughout Australia; and here, again, we have a clear monopoly. The beer is produced in Sydney by a firm possessed of plant that no other brewery yet commands, and experts in every branch of the business are employed. No doubt this monopoly is to the detriment of somebody, and I ask whether it will be safe under the Bill.

Mr. ISAACS.—The honorable member sees what the words of the clause are. The question is whether a monopoly has been established with the intent to control an industry to the detriment of the public in

the supply or price of the commodity. If it has, then it will come under the Bill.

Mr. HENRY WILLIS.—There is no doubt that this monopoly is to the detriment of the men who are thrown out of employment, and also of the people who have put their money into the various Australian brewing companies.

Mr. ISAACS.—To come under the Bill, a monopoly must be formed with the intent to control the price of a commodity to the detriment of the public generally.

Mr. HENRY WILLIS.—The very introduction of this particular beer must do an injury to somebody. It is beer which formerly could be produced only in Germany, where, I may say, it could not have attained its present excellence, but for the assistance of Pasteur. At the present moment, there is a representative of Pasteur in Australia, and the promoters of the monopoly to which I refer might invoke his assistance in order to further strengthen their position. It appears to me that under the Bill this monopoly is not safe, although it is most desirable to have a beer which is not made of glucose or other disagreeable ingredients, detrimental to health. Then, again, a process has been discovered by which, with the aid of electricity, new wine can be converted into what is commonly called old wine, with all the qualities, medicinal and otherwise, of the latter. If what is practically old wine of good quality can be supplied at a lower figure than is the commodity at present produced, tens of thousands of people must be thrown out of employment, and the effects felt by tens of thousands of others who have invested their money in the wine industry, to say nothing of the results to the growers of grapes. This process is admitted by the *Lancet*, and other authorities, to produce an article equal to good old invalid port, and that can be done in twenty-four hours. Then Mr. Edison has recently made a discovery that, by making a holder for electricity of certain light, tough, metal, higher force can be concentrated in the chamber, and he expects by this means to revolutionize electrical processes throughout the world. By these and similar inventions and discoveries, present machinery and methods may be rendered obsolete; and it would be interesting to know how monopolies created by such means will fare under the provisions of this Bill. The Attorney-General has accepted amend-

ments which would not have been made except for the criticism of honorable members on this side of the chamber.

Mr. ISAACS.—I have always said that I am glad to receive suggestions from any quarter.

Mr. HENRY WILLIS.—I quite believe it. I myself have taken some pains to study this subject. What will be the position of Australia in regard to new inventions? Shall we be excluded from benefiting from them? Inventions must be monopolies. There are monopolies in patent rights.

Mr. ISAACS.—In America the question whether patent rights are monopolies under a measure of this kind has been tried, and it has been decided that they are not.

Mr. HENRY WILLIS.—I suppose that if the inventions were not patented in Australia they would be excluded.

Mr. ISAACS.—They would not be monopolies within the meaning of this Bill.

Mr. HENRY WILLIS.—There is necessarily a monopoly in the output of an article in the manufacture of which an invention is used.

Mr. ISAACS.—That is the very question that has been tried and decided. The point raised was whether a monopoly arising from the use of a patent came under the operation of the trust law, and it was decided that it did not.

Mr. HENRY WILLIS.—Then I understand that such an invention may be used in Australia?

Mr. ISAACS.—Undoubtedly.

Mr. HENRY WILLIS.—Notwithstanding that it tends to stamp out other industries?

Mr. ISAACS.—I do not think that inventions will have that effect; but in any case they would not be affected by this Bill. Would an invention be to the detriment of the Australian people?

Mr. HENRY WILLIS.—It might be to the detriment of a large section of the working classes. The workers are specially mentioned in this Bill, though I do not see that that was necessary. How can you have a producer who is not a worker? Is the Attorney-General always thinking of a producer as wearing a black frock-coat and a belltopper? In drafting the Bill the honorable gentleman has gone out of his way to mention the artisan classes, and I cannot see how it can be contended that a section of them would not be injured by

a patented article which threw them out of employment.

Amendment agreed to.

Mr. CARPENTER (Fremantle) [2.20].—I intend to ask the Committee to insert a word in this clause which will have the effect of extending its scope. I move—

That after the word "merchandise," line 7, the word "service" be inserted.

Honorable members will see at once what this extension implies. So far, we have been dealing with commodities, and have not touched a monopoly in the carriage of goods. But the carriage of goods by sea in Australia is at present in the hands of a shipping monopoly. Complaints have been loud and bitter as to the practices of this combine. The Bill would not be complete—in fact, we should have omitted to do an act of justice to the commercial classes—if, while seeking to restrict monopolies in respect of certain practices, we allowed another body of men who are intrusted with the carriage of goods by sea, and control about 98 per cent. of our coast-wise trade, to operate injuriously to our producers. If we failed to legislate against such a monopoly, we should not have put our finger upon what is acknowledged to be one of the most dangerous monopolies in Australia to-day.

Mr. McWILLIAMS.—Would not such a monopoly be reached without such an amendment?

Mr. ISAACS. — It could be dealt with under another clause, but not under this one.

Mr. CARPENTER.—I should have preferred, knowing what I do of the practices of this combine, and how much wrong has been occasioned by it, to introduce a special clause dealing with it, with the object of checking the granting of what are called "deferred rebates." But I have the assurance of the Attorney-General that the inclusion of the word "service" in this clause will cover the ground.

Mr. ISAACS.—"Assurance" is a big word. It is my belief.

Mr. CARPENTER.—If it is proved that the shipping combine is a monopoly acting in restraint of trade, we should strike at it. Under the American legislation—the Elkin Act, I think it is—provision is specifically made against the granting of deferred rebates. A few days ago a cablegram was published showing that some of the persons connected with a trust in the United States had been either fined

or imprisoned for breaking the law in that regard. In case come honorable members have not familiarized themselves with this subject, I should like to refer to the report of the Royal Commission on the Navigation Bill in support of the amendment which I am asking the Committee to adopt. I will quote from a letter which was sent from the Melbourne Chamber of Commerce to the Prime Minister on the 9th November, 1904. Amongst other things, the following statements are made:—

I am also directed by my Council to bring under your notice a most pernicious system that has of late years grown up in shipping circles, under the name of "Freight Rebates." These rebates, in fair and honest trading, are absolutely unnecessary, and in many instances are a gross injustice to consignees. Where goods are sent by a producer who is some distance from the seaboard, to be shipped by an agent at the shipping port, these rebates too often take the form of a secret commission; and where the rebate is allowed to a shipper direct, it is granted only on the understanding that he confines his business to certain companies within his shipping ring or trust. The conditions under which this rebate is allowed are that the company, whilst collecting the freight on a *cash* basis when the goods are shipped, will only return the percentage of the freight after twelve months has elapsed, and, during which time, the shipper, as pointed out, must confine his shipments to the ring. In this way the shipper is not able to avail himself of any opportunity of a lower rate of freight offering by any outside company, for the reason that he is not able to afford to lose his rebate, as he would then be placed at a disadvantage as compared with his competitor. Competition in the freight market is therefore stifled.

Mr. McWILLIAMS.—That state of things exists in Tasmania.

Mr. CARPENTER.—I think it applies to the whole of Australia. I know that it has been a burning question among the merchants of Fremantle. The letter which I have quoted sums up the position very well. Whilst this is a matter of complaint, so far as the merchant is concerned, I question whether he suffers as much as the general public do. I believe I am correct in saying that when goods are shipped and received in this manner, the merchant disposes of them on what is called a c.i.f. basis. Whatever it has cost him to ship the goods, is added to the price, and an equivalent amount is taken from the pockets of the general public when the goods are sold.

Mr. McWILLIAMS.—In the export of produce, that system rules very largely.

Mr. CARPENTER.—If that be so, it is the consumer who really pays the re-

bates; the shipping company merely making use of the power which the system gives it, as a lever to compel shippers not to ship by any competing line. So that this is not merely a matter of wrong and injustice to the commercial classes, but to the whole of our people who have to pay this surcharge—an extra 10 per cent., or whatever the amount may be—that goes to give the shipping combine its power over the shipper. Mr. McPherson, the representative of the Melbourne Chamber of Commerce before the Commission, illustrated by the following evidence the manner in which the rebate is worked:—

3964. Will you be good enough to explain the system?—In 1903, when I had 300 tons of iron to ship to Fremantle, I went to the shipping people to learn the rate of freight. They held a meeting, and then they gave me a quotation. They said, "You will have to pay 18s. a ton now, but in twelve months' time if you confine all your shipments to the ports on the north and the west to the companies within the ring we shall grant you a rebate of 20 per cent." In other words, I had to leave with them a hostage of 3s. 6d. a ton on the 300 tons, and let it stay in their hands for twelve months. Had I not agreed to confine all my shipments to the association, I should have had to charge 18s. a ton for the freight of the iron, and probably I should have lost the business. Of course I said, "Very well, if those are your terms I shall accept them. I shall pay the 18s. per ton now." But when I quoted a price to my customer I quoted on what is known as the c.i.f. basis. I paid the freight to Fremantle, and last month I got from the shipping people a cheque for £75.

Mr. Alexander, a Fremantle merchant, told the Commission that the shipping combination controls some 98 per cent. of the coastal shipping trade of Australia. If his figures are anything like correct—and I have no reason to doubt their correctness—they show the completeness of the monopoly enjoyed by the Shipowners' Federation. The evidence of Mr. McLennan is peculiarly valuable, because he was at one time connected with one of the firms now in the combine, and is a representative of Messrs. J. and A. Brown and Company, shipowners and colliery proprietors, who are competing against it. It shows how shippers are now penalized by the comparative absence of competition on the coast.

24342. In spite of your offering to carry cargo at a lower rate, people still prefer to ship by the other companies?—Yes.

24343. Why? — Otherwise the bonuses, which amount to 10 per cent. on the freight of all cargo that had been shipped during the previous twelve months, would be forfeited.

24344. If you can carry all their stuff for 30 per cent. less, surely it will pay them to give up

their bonuses?—In some cases it would not pay them if we carried the cargo for nothing.

Mr. LEE.—The reason why shippers will not send by Messrs. J. and A. Brown is that they are afraid that that firm may join the combine.

Mr. CARPENTER.—If we take from the combine the power to manipulate freight charges as they are now doing, it will not matter who joins it, or who stays out of it. I do not object to the action of the shipowners in combining. I have no wish to be unjust to them, and am prepared to give them all necessary protection. Within certain limits, combination on the part of our shipowners may be beneficial, not only to themselves, but to shippers as well, because of its results in steadying rates and preventing cut-throat competition. But the abuse which has taken place by reason of the adoption of a system of rebates must be ended in the interests of those who, in the long run, have to pay the piper. Mr. McLennan was asked why shippers will not use the steamers of Messrs. J. and A. Brown and Company if their cargo is carried for nothing, and he said—

Some of the shippers have, say, £1,000 in the hands of the steam-ship companies at one time in the shape of bonus, so, supposing they offered us a couple of hundred tons of cargo, and we carried it for nothing, they would lose £1,000.

If honorable members look through the report of the Commission, they will find that the rebate system is the cause of very general complaint. The Commission consisted of Senators de Largie, Guthrie, and Macfarlane, and the honorable members for West, South, and North Sydney, Darling Downs, Melbourne Ports, and Kooyong. They made the following important recommendation, from which the only dissentient was Senator Macfarlane:—

As your Commissioners consider that the rebate system is open to grave abuses, and calculated to seriously prejudice the commercial and industrial interests of the Commonwealth, they recommend the introduction of legislation at an early date, making it illegal for the owners, master, or agent of any vessel to give rebates or other advantages to any shipper or consignee of goods, if the condition of such rebates or advantages is that there shall be exclusive shipment by a certain vessel or vessels.

Although we do not wish to interfere unnecessarily with the business of the shipowners, we must protect shippers and the general public from the abuses of the rebate system. It has been argued that if we prevent ship-owners from using this means of stopping competition, there will

be a repetition of the cut-throat competition of some years ago, which is said to have led to a heavy reduction in wages, and to have been the cause of most of our maritime troubles. The present rates of wages were being paid for a considerable length of time before the bonus or rebate system became what it is to-day, and, as there are, moreover, in some of the States, Arbitration Courts, which can fix rates of wages, I do not think that free competition would justify the lowering of the present rates. We cannot, however, afford to protect either wages or profits by allowing a small body of men to control the coastal shipping trade, which is a large part of the whole of the shipping trade of Australia. I hope that the Committee will prevent that, by agreeing to the amendment which I have moved.

Mr. ISAACS (Indi—Attorney-General) [2.41].—I see no reason for objecting to the amendment. The shipping companies can come within the terms of clauses 4 and 5, and the insertion of the word "service" in clauses 7 and 8 will put them on the same footing as other companies.

Mr. HARPER.—May not the amendment have a wider effect than is intended?

Mr. ISAACS.—It will bring within the Bill other services in addition to shipping services, but I do not see that its effect will be injurious. The service rendered to the community by the carriage of commodities, though not technically an act of commerce, is substantially so, and the American Courts have universally held that transportation services form part of the trade and commerce of the country. They have, indeed, declared telegraphic services to be an instrumentality, and therefore part of its trade and commerce. The amendment has been clearly explained by the honorable member for Fremantle, to whom we are much indebted for drawing attention to the matter. The report of the Commission is very direct, and I can perceive no reason for omitting these services from the operation of the measure.

Mr. DUGALD THOMSON.—The amendment would apply only to such things as come within our constitutional powers.

Mr. ISAACS.—We cannot go beyond our constitutional powers. The clause is limited in its operation to trade and commerce with other countries, and among the States, and cannot interfere with internal means of transport. It is as im-

portant to provide fair play for the transportation of goods as to secure freedom of entry for the goods into the States. It seems to me very unjust that these secret rebates should be granted. It is very hard indeed if power is used by a combine to fix a certain rate of freight, and to declare that not only the party who sends goods by other than its own vessels will be refused a rebate, but also the person who receives goods by other ships, notwithstanding that such goods may have been so forwarded without his consent or concurrence. That is a very severe penalty to impose, and one which shows the intent of the combine, which is to crush out competition. I thoroughly agree with the honorable member for Fremantle that we ought to deal with such cases, and I am very glad to have this opportunity of giving effect to the recommendation of the Shipping Commission.

Mr. FOWLER (Perth) [2.46].—In supporting the amendment of the honorable member for Fremantle, I wish to say that in watching the attitude of the Government towards the Bill, my suspicion is being confirmed that this particular gun is not loaded with shot, but is merely intended to go off at election time with a great deal of noise and smoke, for the special benefit of those electors who are satisfied with that sort of thing.

Mr. MAUGER.—It is very easy to say that.

Mr. FOWLER.—Seeing, however, that the Government intend to persevere with the Bill, I think we should make the very best possible use of it by introducing provisions dealing with such matters as the honorable member for Fremantle has brought under our notice, in order that when it has been tried and found wanting, the fact of these provisions having been inserted with a view to remedying existing evils may lead to more effective measures being ultimately adopted. So far as the shipping ring is concerned, I believe a separate Act of Parliament will be required to bring it down to its proper level. At the same time I think that in this Bill we ought to indicate to the public that that combination is one which is injurious to them. So far as Western Australia is concerned there is not the least doubt that the combination in connexion with the Inter-State sea-borne traffic is exceedingly disadvantageous to the interests of consumers. Fur-

ther, I say—after having listened to the testimony of a great many business men who have appeared before the Tariff Commission—that the effect of this shipping combination upon Australian industries—and especially upon those industries which are endeavouring to obtain an Inter-State trade—has been much more injurious than has any foreign competition which has been brought against them. Time and again witnesses who have appeared before the Commission with a request for the imposition of higher duties, have urged, as their justification, the fact that more is charged by way of freight between two Australian ports than is charged for bringing cargo from the other side of the world. Under these circumstances, something requires to be done, and that as early as possible. So far as the rates of freight are concerned, there is no doubt that this Bill cannot touch them. In that respect it would absolutely fail, even assuming that it were brought into play against the shipping combine in other respects. But as the Government intend to press on with the Bill, by all means let us make it as effective an indication of the need for stringent legislation upon the subject as we possibly can. For that reason I hope the Committee will agree to the amendment.

Mr. ISAACS (Indi—Attorney-General) [2.50].—I have just asked the honorable member for Fremantle to withdraw his amendment, with a view to inserting the word "service" before the word "merchandise," instead of after it, so as not to separate the two expressions "merchandise" and "commodities."

Mr. CARPENTER (Fremantle) [2.51].—I am quite prepared to agree to the suggestion of the Attorney-General, and therefore I agree to withdraw my amendment.

Amendment, by leave, withdrawn.

Amendment (by Mr. CARPENTER) agreed to—

That the word "service" be inserted after the word "any," line 7.

Mr. ISAACS (Indi—Attorney-General) [2.52].—I move—

That the word "indictable," line 8, be left out. This proposal forms part of a new set of amendments which I have circulated, some of which are intended to be inserted in clauses 4 and 5, with which we have already dealt. In his speech the other evening, the honorable member for Bland

suggested that, inasmuch as the Government had circulated an amendment to the effect that the penalty of imprisonment should not attach to a first offence under this Bill, and that in case a conviction was recorded, power should be vested in the Court to grant an injunction to restrain the defendant from continuing to offend, the decision of any offence, in the first instance, should rest with a Justice of the High Court alone. He urged as a reason in support of his suggestion that its adoption would secure uniformity of decision. He further argued that the determination of cases would not then depend upon the particular State in which they were tried. Although I was not able to entirely agree with his argument, the necessity for considering it will be prevented by the adoption of this amendment. Apart altogether from the question of whether a jury is likely to be influenced by the locality in which it sits, there is something in the argument that we can obtain uniformity of decision by having these matters determined—in the first instance, at all events—by the High Court. Where the penalty of imprisonment is not attached, we need not make an offence an indictable one. Consequently, if we omit the word "indictable," a Justice of the High Court will have power either to acquit the defendant altogether or to fine him up to £500. He may further grant an injunction restraining him from continuing his offence. Subsequently the defendant commits the same offence, the case will, of course, go before a jury. The penalty of imprisonment is retained for a second offence. I do not think that anybody will object to that. In the list of new amendments which have been circulated, it will be noticed that, as we are increasing the penalty which may be imposed upon an individual, for a second offence, we also increase it in the case of a corporation.

Amendment agreed to.

Amendment (by Mr. ISAACS) agreed to—

That the words "or one year's imprisonment or both; in the case of a corporation, Five hundred pounds," lines 9 to 11, be left out.

Clause, as amended, agreed to.

Clause 8—

(1) Any foreign corporation, or trading or financial corporation formed within the Commonwealth, which wilfully monopolizes or attempts to monopolize, or combines or conspires with any person to monopolize, any part of the trade or commerce within the Commonwealth, with the

design of controlling, to the detriment of the public, the supply or price of any merchandise or commodity, is guilty of an indictable offence.

Penalty: Five hundred pounds.

(2) Every contract made or entered into in contravention of this section shall be absolutely illegal or void.

Amendments (by Mr. ISAACS) agreed to—

That the word "wilfully," line 3, be left out, and that the words, "the design of controlling," lines 6 and 7, be left out, with a view to insert in lieu thereof the words "intent to control."

Amendment (by Mr. CARPENTER) agreed to—

That the word "service" be inserted after the word "any," line 8.

Amendment (by Mr. ISAACS) agreed to—

That the word "indictable," line 9, be left out.

Clause, as amended, agreed to.

Clause 9—

Whoever aids, abets, counsels, or procures, or by act or omission is in any way, directly or indirectly, knowingly concerned in or privy to—

(a) the commission of any offence against this Part of this Act; or

(b) the doing of any act outside Australia which would, if done within Australia, be an offence against this Part of this Act,

shall be deemed to have committed the offence.

Penalty: Five hundred pounds, or one year's imprisonment, or both; in the case of a corporation, Five hundred pounds.

Amendment (by Mr. ISAACS) proposed—

That all the words after "pounds," line 11, be left out.

Mr. DUGALD THOMSON (North Sydney) [2.59].—I should like to ask the Attorney-General whether the provisions of this clause will apply to lawyers or barristers who may be employed in drawing up an agreement? It is just possible that it might include even a clerk who wrote out a copy of an agreement.

Mr. ISAACS (Indi—Attorney-General) [3.0].—No man will be exempted from the operation of this clause merely because he is a lawyer. But no person is brought into the criminal arena unless he has a guilty mind. If a lawyer sits down to draw an agreement with a guilty purpose, he has the intent to enter into a conspiracy with his client, and ought to be punished in the same way. But if he honestly thinks that he is right in the advice he gives to his client, he will not be liable.

Mr. DUGALD THOMSON.—He may honestly think he is doing no wrong.

Mr. ISAACS.—Then he will not be liable.

Mr. DUGALD THOMSON.—It might be declared afterwards that what he advised was wrong.

Mr. FOWLER.—Would the advice of a lawyer to a client who desired to drive a coach and four through the Act be considered as evidence of a nefarious combination?

Mr. ISAACS.—If he gave the advice with a guilty mind it would. I am sure we all recognise the anxiety which honorable members exhibit to preserve the rights of lawyers.

Amendment agreed to.

Clause, as amended, agreed to.

Clause 10—

The Attorney-General or any person thereto authorized by him may institute proceedings in any competent Court exercising Federal jurisdiction, to restrain by injunction the commission or continuance of any breach or contravention of this part of this Act.

Mr. ISAACS (Indi—Attorney-General) [3.2].—I wish to direct the attention of honorable members to this very important provision. Up to the present we have very carefully provided that no man shall be attacked as a criminal unless he has a guilty mind. In other words, we say that there must be the intent to do wrong. But the honorable member for Hindmarsh pointed out that great injury might be done by allowing the operations of combinations and contracts detrimental to the public to continue. I think the dividing line should be that, if a wrong is being done, it ought to be stopped, but no man ought to be attacked as a criminal unless he has a guilty mind. So far we have protected the individual from criminal attack unless he has a guilty mind. Under clause 10, as it now stands, it might be impossible for the Court to stop the operations of the most devastating trust unless proof could be given of guilty intent. Considering the whole position, the view we have taken of the matter is that, while adhering strongly to the principle that no man ought to be attacked as a criminal unless criminal intent on his part is shown, still if there is a combination which, in fact, is in restraint of trade to the detriment of the public, the Court should be able to prevent its further continuance, and to say to the parties concerned: "You must not proceed, in the public interest." To that extent, we think that the Sherman Law should be adopted for civil proceedings. To give an analogy, suppose any one of us has a landed property, and some one enters upon it *bonâ*

fide, and takes possession, the owner can go to Court, and, if it is found that the property is not his, the Court will restrain the trespasser merely because he is wrong. But the Court would never think of putting the man in gaol, so long as it was clear that he was an honest man. If a man appropriates property knowing that it is not his own, he is a thief; if he takes it honestly believing it to be his, he is not, and his action is a mere civil matter. That is the principle we desire to apply in this clause. If the operations of a combination proceeding honestly, and formed without intent to do detriment to the public, are still found to be detrimental to the public, and to be breaking down industries by unfair competition, the Court should have power to stop those operations.

Mr. DUGALD THOMSON.—Is that after trial?

Mr. ISAACS.—It would be after full investigation, and the hearing of evidence by such methods as the Court adopts in ordinary cases.

Mr. DUGALD THOMSON.—The combination concerned should be found guilty before such action is taken.

Mr. ISAACS.—Not necessarily guilty of an offence. If the honorable gentleman owned a mine, and some one else claimed it, the Court, on hearing the whole of the facts, would grant an injunction preventing the defendant trespassing upon the mine. If the defendant, without any claim or right at all, and actuated by mere felonious intention, were to take gold from the mine, he should be convicted. All the difference between civil and criminal procedure consists in the honesty of purpose, but if the action taken results in damage to the public, and has an injurious effect, there should be a power to restrain and stop it.

Mr. DUGALD THOMSON.—A conviction might not follow the investigation.

Mr. ISAACS.—There is no question of a conviction under clause 10, which provides for purely civil proceedings. We have now dealt with criminal proceedings, and have left those matters.

Mr. DUGALD THOMSON.—That is so, but the Court would have to say whether what was being done constituted a breach of the Act.

Mr. ISAACS.—The honorable gentleman will understand the matter better if I say what is proposed to be done with this clause. I propose to strike out all the words

after the word "injunction," and insert other words, when the clause will read—

The Attorney-General or any person thereto authorized by him may institute proceedings, in any competent Court exercising Federal jurisdiction, to restrain by injunction the carrying out of any contract or combination which—

- (a) is in restraint of trade or commerce to the detriment of the public; or
- (b) is destroying or injuring by means of unfair competition any Australian industry the preservation of which is advantageous to the Commonwealth, having due regard to the interests of producers, workers, and consumers.

Mr. DUGALD THOMSON.—I wish to know when that will take effect. Is it after a combination or firm is found to be carrying on something which under this Bill is declared to be illegal?

Mr. ISAACS.—Not necessarily.

Mr. DUGALD THOMSON.—I think it should be.

Mr. ISAACS.—Under the American Act, it is not necessary to get a conviction. This provision, if amended as proposed, will, I think, be to the advantage of the combinations. We do not say to the public that before they can get any protection they must prosecute these people. It is an alternative method of securing the necessary protection of the public without dragging the defendant into a criminal court at all.

Mr. DUGALD THOMSON. — Yes; but it would stick up his business, though there might not be anything wrong in it.

Mr. ISAACS.—No. It could go on until the Court decided that it should be stopped. The Attorney-General could not stick it up.

Mr. DUGALD THOMSON.—But the Court can grant an injunction before it is decided that the combination is illegal.

Mr. ISAACS.—No. The Court cannot do so before it decides. The application under the clause would be to stop the combination, and the Court might say, "We will not stop the combination until you convince us that it ought to be stopped." It will not be stopped until the Court has heard evidence, and has come to a conclusion that it should be, because the combination is, for instance, in the terms of the first paragraph of the proposed amendment—"in restraint of trade or commerce to the detriment of the public." Until that decision is come to, the Court will do nothing, the business will go on, and there will be no power in the Attorney-General to stop any part of it.

Mr. JOSEPH COOK.—He can keep the legal proceedings going on for a little time, and can accomplish his purpose while the matter is being discussed.

Mr. ISAACS.—No.

Mr. DUGALD THOMSON.—May there not be an injunction granted to restrain?

Mr. ISAACS.—An injunction will not be granted by the Court until it has decided the matter, and if it is granted it will be upon evidence that the business ought to be stopped. There will be no stoppage of the business until that stage has been reached.

Mr. DUGALD THOMSON.—Could it not be stopped on the verdict of the Court without this provision for injunction?

Mr. ISAACS.—The verdict of the Court is the judgment of the Court after hearing the evidence.

Mr. DUGALD THOMSON.—Could it not be stopped without this provision for injunction in those circumstances?

Mr. JOSEPH COOK.—It could be stopped under clause 16.

Mr. ISAACS.—That is another part of the Bill.

Mr. JOSEPH COOK.—Yes; but it may deal with the same transaction.

Mr. ISAACS.—I think we should not confuse this clause with the part of the Bill dealing with dumping, with which it has nothing to do. I am speaking now of legal proceedings, and I desire to make the matter as clear as I can. If there is a combination which, in the opinion of the Attorney-General, is working wrong, he can, without instituting any criminal proceedings at all, apply to the Court, and prove, if he is able, that the combination is operating in restraint of trade to the detriment of the public, and thus he may, without entering upon any criminal proceedings, ask the Court to stop its operations.

Mr. SKENE.—It might only be a passing breach.

Mr. ISAACS.—Then the Court would probably say, "We will not grant an injunction."

Mr. SKENE.—Before the Attorney-General could institute proceedings, the whole thing might be at an end.

Mr. ISAACS.—It might, but he could ask the Court to restrain similar proceedings in future. That would not be to the detriment of the defendant in any way. It is necessary, I think, to protect the public. The Attorney-General may not desire to prove intent to the detriment of the public, but merely to prove that there

is a certain combination in restraint of trade, and the Court might then grant an injunction. Here we desire to provide that if there is a restraint of trade to the detriment of the public, the Court may exercise the same power as is exercised in America in similar circumstances. I think that that is the proper course to pursue. I forgot to mention that the proposed amendment includes a proviso, the meaning of which is simply that in order to keep within our constitutional powers we distinctly say what they are. I move—

That all the words after the word "injunction," line 4, be struck out, with a view to insert in lieu thereof the words "the carrying out of any contract or combination which—

(a) is in restraint of trade or commerce to the detriment of the public; or

(b) is destroying or injuring by means of unfair competition any Australian industry the preservation of which is advantageous to the Commonwealth, having due regard to the interests of producers, workers, and consumers.

Provided that, except in the case of foreign corporations, or trading or financial corporations formed within the Commonwealth, this section shall only apply to contracts or combinations in relation to commerce with other countries or among the States."

Mr. JOSEPH COOK (Parramatta) [3.14].—Although the honorable and learned gentleman proposes this amendment ostensibly for the protection of combinations, if it is agreed to he need not indict them under this clause at all.

Mr. ISAACS.—The honorable member means criminally.

Mr. JOSEPH COOK.—No, civilly. He can proceed against them civilly, and hold their business up.

Mr. ISAACS.—He cannot hold their business up.

Mr. JOSEPH COOK.—The Attorney-General must know that, leaving this process out of the question altogether, he can still ring in the dumping clauses, in which are repeated the very words which he proposes to introduce here, and the business of a combination will be held up while the matter is being investigated.

Mr. ISAACS.—The other clauses can be dealt with when we come to them.

Mr. JOSEPH COOK.—Yes. I am only pointing out now that the honorable and learned member has two strings to his bow, and that while ostensibly he is giving some concession to the traders of the community, still he has these other powers, by the exercise of which he could drop down upon them instantly. Really,

all that he is doing here is to make it possible for him to also deal with a man in a criminal way. That punishment is to be meted out to individuals in connexion with the whole of these operations is a small circumstance as compared with the restraints on these nefarious businesses. It is conceivable that they might apply to two different classes of cases. It is possible, I should say very probable, that unless an alteration be made in the dumping clauses they would be made to apply to the same class of cases. No matter how wrong the importation might be, still it would be an importation which operated in an unfair competitive way to the dislocation of our industries, and all the rest of it.

Mr. ISAACS.—Has the honorable member seen the amendments which have been circulated, and which would prevent a business from being held up?

Mr. JOSEPH COOK.—No. In the circumstances, I am willing to let the clause go.

Mr. DUGALD THOMSON (North Sydney) [3.17].—I have no objection to this provision, if it is to operate after the judgment of the Court has been given.

Mr. ISAACS.—That is all. Of course, the honorable member understands that there are proceedings to get a judgment, but the business cannot be touched until it has been given.

Mr. DUGALD THOMSON.—We know that in many cases an injunction may be applied for immediately after proceedings have been instituted.

Mr. ISAACS.—That is the idea of this proposal.

Mr. DUGALD THOMSON.—To stop the person trading?

Mr. ISAACS.—To stop what is aimed at in the amendment—restraint of trade to the detriment of the public.

Mr. DUGALD THOMSON.—But then there will have been no decision given.

Mr. ISAACS.—No; but the decision will be given on that application.

Mr. DUGALD THOMSON.—The whole case will not be tried and witnesses for both sides heard before then?

Mr. ISAACS.—Yes.

Mr. DUGALD THOMSON.—Then judgment will be given?

Mr. ISAACS.—Yes, a man can ask for an injunction, but he will not get it until witnesses on both sides have been heard.

Mr. DUGALD THOMSON.—I regret that this clause has to be discussed in the

absence of legal members. It is not an uncommon thing for an injunction to be applied for under various State laws, and granted before the case has been heard.

Mr. ISAACS.—An interlocutory injunction.

Mr. DUGALD THOMSON.—Yes.

Mr. ISAACS.—I cannot conceive of that being done in this case.

Mr. DUGALD THOMSON.—Would it be possible?

Mr. ISAACS.—No, impossible.

Mr. DUGALD THOMSON.—We should guard strictly against the possibility of the Attorney-General applying for and getting an injunction to restrain operations before the judgment of the Court has been delivered, declaring the operations to be in contravention of the Act.

Mr. ISAACS.—I cannot conceive the possibility of any interlocutory injunction being applied for.

Mr. DUGALD THOMSON.—That ought to be made absolutely impossible. Why not use the expression "after judgment by the Court"?

Mr. ISAACS.—It must be after judgment by the Court.

Mr. DUGALD THOMSON.—If so, why not say that? In some cases we have the injunction applied for before a decision is given, and there is nothing in this provision to show that that cannot be done. If the Attorney-General says that it is only intended to be put in operation after judgment by the Court—

Mr. ISAACS.—Do not misunderstand me. An injunction could only operate after judgment.

Mr. DUGALD THOMSON.—If that is intended, why is it not stated?

Mr. ISAACS.—It is necessarily involved.

Mr. DUGALD THOMSON.—I am not so satisfied about that.

Mr. ISAACS.—I know that it is an interlocutory injunction which is troubling my honorable friend. The object of an interlocutory injunction is only to preserve property until the hearing of the case.

Mr. DUGALD THOMSON.—It ought to be made absolutely clear that an injunction could not be obtained to restrain parties from continuing the operations complained of until judgment had been given. Otherwise, absolutely guiltless persons might have restraints put upon them in the conduct of their business, and that might mean serious loss, in some cases ruin. I am sure

that the Attorney-General will see the desirability of avoiding a danger of that sort. He will have a successor, however long he may occupy his office; and he should make provision to prevent a successor from doing what, in his view, would be improper. At any rate, if he does not make that provision now, I think that he might give the Committee the opportunity of again considering the clause, and in the meantime draft a provision which would be a safeguard in that respect, and yet would place no restriction upon the proper operation of the Act. It would be a very serious position if an injunction could be granted before judgment.

Mr. ISAACS.—I quite agree with the honorable member that it would be.

Mr. HARPER.—Could not the Attorney-General put in something to make it clear?

Mr. DUGALD THOMSON.—I think that he could, but I am placed at a disadvantage in the absence of legal members.

Mr. ISAACS.—I am quite with the honorable member as to the undesirability of allowing an injunction to be granted until the case has been determined.

Mr. DUGALD THOMSON.—It seems to me that there is no limitation as to when an injunction could be applied for and granted. It should be made quite clear that it could only be granted after judgment had been declared. It would be a very serious thing if, in addition to the interference which the Bill naturally created, there should be destruction of business where a man was found afterwards not to be guilty at all.

Mr. ISAACS (Indi—Attorney-General) [3.25].—I do not think that there is any possibility of danger; but I shall seek for some words to allay the fears of the honorable member, and if he desires to have the clause reconsidered for that purpose, I shall undertake to move for its recommitment.

Mr. DUGALD THOMSON.—I am satisfied.

Amendment agreed to.

Mr. ISAACS (Indi—Attorney-General) [3.26].—I move—

That the following new sub-clause be added:—
 "2. On the conviction of any person for an offence under this Part of this Act the Judge before whom the trial takes place shall, upon application by or on behalf of the Attorney-General or any person thereto authorized by him, grant an injunction restraining the convicted person and his servants and agents from the repetition or continuance of the offence of which he has been convicted."

Mr. DUGALD THOMSON.—This sub-clause says "on conviction."

Mr. ISAACS.—I wish to show my honorable friend the difference between the two cases. If there has been no conviction, one will have to start proceedings, and have the whole thing heard and determined. But if there has been a conviction, an injunction may be applied for at once, without going through the formality of new proceedings.

Mr. DUGALD THOMSON.—I do not object to that where there has been a conviction.

Amendment agreed to.

Clause, as amended, agreed to.

Clause 11—

1. Any person who is injured in his person or property by any other person, by reason of any act or thing done by that other person in contravention of this Part of this Act, may, in any competent Court exercising Federal jurisdiction, sue for and recover treble damages for the injury. . . .

Mr. ISAACS (Indi—Attorney-General) [3.28].—I move—

That after the word "Act," line 4, the following words be inserted "or by reason of any act or thing done in contravention of any injunction granted under this part of this Act."

If, after full hearing, a combination has been ordered by a Judge not to do anything to the public detriment, and in spite of that they go on and do it, then any one who is injured by that act shall have his remedy.

Mr. WATSON.—Is not the honorable and learned gentleman going to provide in this clause for the initiation of a prosecution to be dependent upon the consent of the Attorney-General?

Mr. ISAACS.—No; in a new clause, to be moved later on.

Amendment agreed to.

Mr. DUGALD THOMSON (North Sydney) [3.29].—This provision makes it more necessary, I think, for the insertion of an emphatic provision that the injunction shall follow the judgment.

Clause, as amended, agreed to.

Progress reported.

PAPERS.

Mr. EWING laid upon the table the following papers:—

Military Forces financial and allowance regulations, Statutory Rules 1906, No. 47. Regulations governing the landing of foreign troops, &c., Statutory Rules 1906, No. 48.

ADJOURNMENT.

PRESENTATION OF ADDRESS-IN-REPLY.

Motion (by Mr. DEAKIN) proposed—

That the House do now adjourn.

Mr. SPEAKER.—Before the motion is put, I desire to remind honorable members that at 4 o'clock His Excellency the Governor-General is to receive the Address-in-Reply adopted by this Chamber. I shall be glad if as many honorable members as desire to do so will meet me at that hour in the Queen's Hall, where the presentation will take place.

Question resolved in the affirmative.

House adjourned at 3.31 p.m.

House of Representatives.

Tuesday, 10 July, 1906.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

GOVERNOR-GENERAL'S SPEECH:
ANSWER TO ADDRESS-IN-REPLY.

Mr. SPEAKER.—I have to inform honorable members that, in accordance with the arrangement announced on Friday afternoon last, I presented the Address-in-Reply to His Excellency the Governor-General, who was pleased to express his thanks.

POSITION OF MR. REID.

Mr. HUTCHISON. — In the *Brisbane Courier* of the 6th July, the right honorable member for East Sydney is reported to have said at Maryborough that he had given up the present Parliament, and was appealing to the electors. I wish to know if you, Mr. Speaker, have received his resignation?

Mr. SPEAKER.—I have not.

COMMERCE ACT REGULATIONS.

Mr. JOHNSON.—I wish to know from the Minister of Trade and Customs when he proposes to lay on the table the regulations under the Commerce Act, and if he has any objection to also laying on the table a copy of the resolutions of the Exporters' and Fruit-growers' Conference, convened by him?

[39]—2

Sir WILLIAM LYNE. — I hope that the Commerce Regulations will be published within the next two or three days. They will then be laid on the table. I cannot promise to lay on the table all the correspondence which has taken place in connexion with the framing of the regulations.

Mr. JOHNSON.—I ask only for the resolutions.

Sir WILLIAM LYNE. — I cannot promise to lay even the resolutions on the table, because so many have been received from various parts of Australia.

TARIFF AMENDMENT.

Mr. HENRY WILLIS.—Is it the intention of the Government to introduce this session a Bill for the amendment of the Tariff?

Mr. DEAKIN.—That will certainly be done if the Tariff Commission reports.

PAPERS.

MINISTERS laid upon the table the following papers:—

Copies of a telegram from the Prime Minister to the Premiers of the States with reference to the export of Australian canned meat, and their replies, together with a telegram despatched by him to the Imperial authorities.

Reports of the Justices of the High Court and the President of the Arbitration Court and other papers relating to the proposal to increase the High Court Bench.

Invitation from the Premier of New South Wales to members of the Federal Parliament to visit certain proposed Federal Capital sites.

DEPORTATION OF KANAKAS.

Mr. BAMFORD. — Is the Government co-operating with the Government of Queensland in connexion with the deportation of kanakas at the end of this year? Has the Queensland Government made the demand that this Government shall pay a portion of the return fares of the islanders? As the time is fast approaching when deportation must be undertaken, is the Prime Minister prepared to make a statement to the House of the intentions of the Government in regard to the matter?

Mr. DEAKIN.—We are co-operating with the Government of Queensland, by whom no such demand has been made as that to which the honorable member refers. I hope to make, within a few weeks, a complete statement as to what is proposed in connexion with the deportation of kanakas.

PAPUAN APPOINTMENTS.

Mr. WILKINSON.—Can the Prime Minister assure the House that he will defer the making of appointments to the Executive and Legislative Councils of Papua, and will not fill the Lieutenant-Governorship until the House has had an opportunity to discuss the motion moved by me on Thursday last, and made an Order of the Day for the 26th July.

Mr. DEAKIN.—Not knowing exactly why the honorable member prefers this request in regard to appointments to the Legislative Council of Papua, I shall be glad if he will submit his reasons to me in private. I have already undertaken that no appointments to the Public Service of the Territory shall be made until the House has had an opportunity to discuss the subject. That opportunity may be afforded by the introduction of the Estimates before the honorable member's motion is disposed of, but, in any case, honorable members will be able to express their views on the matter before any appointments are made.

JUDICIARY BILL.

Mr. SPEAKER reported the receipt of a message from His Excellency the Governor-General, recommending that an appropriation be made from the Consolidated Revenue for the purposes of this Bill.

PARADE ATTENDANCE.

Mr. McDONALD (for Mr. MALONEY) asked the Minister representing the Minister of Defence, *upon notice*—

1. What was the date of the last inspection of the Castlemaine section of the Eighth Australian Infantry Regiment by the State Commandant?
2. Was its Commanding Officer present then; and, if not, what reason was given for his absence?
3. Was the Commanding Officer engaged that night at Colac attacking the Government and the Minister for Defence at a political meeting?
4. What distinction does the Defence Department make between this officer and the sixteen men discharged from the Warrnambool Battery for non-attendance at parade?

Mr. EWING.—The answers to the honorable member's questions are as follow:—

1. 21st May, 1906.
2. No; the Commanding Officer applied for, and was granted, special leave by the Commandant, as provided for in paragraph 11 of Commonwealth Military Regulation, No. 202. The reason given for his absence was that he had

arranged to deliver an address prior to receiving the date of the Commandant's inspection.

3. The Minister is not aware that the Commanding Officer was so engaged.

4. The Commandant states that in no case has leave from the Commandant's inspection been refused when such leave had been previously applied for. The case of the Warrnambool discharges is not analogous, as the Commanding Officer of the Field Artillery discharged the sixteen men for failing to become efficient, through non-attendance at an Easter camp of continuous training, not at a parade.

WARRNAMBOOL FIELD ARTILLERY.

Mr. WILSON asked the Minister representing the Minister of Defence, *upon notice*—

1. Has any decision been arrived at with regard to the men dismissed from the Warrnambool Battery of Field Artillery?
2. Is it the intention of the Military Board to disband this battery and other batteries in the country districts and concentrate them in Melbourne?
3. Is it a fact that the guns supplied to these batteries are obsolete and unsafe to use?
4. Can any reason be given for leaving the Warrnambool Battery without a qualified instructor for two years?

Mr. EWING.—I am informed—

1. No; the matter is still the subject of further inquiry.
2. The Military Board does not intend recommending the disbandment of any battery pending the decision of the Government as to the general organization of the Military Forces, after consideration has been given to the recommendations of the Imperial Defence Committee.
3. The guns are obsolete, but are not regarded as unsafe. This battery will be armed with four 4.7 breech-loading guns as soon as the carriages already ordered are received from England.
4. The Commandant states—
It was proposed to send an instructor to Warrnambool from time to time to hold courses of instruction, but the reason this has not been done is that when the officer commanding No. 4 battery (Warrnambool and Port Fairy) was asked to select the most convenient dates he replied "That it was not possible for members to attend."

HAT CONTRACT.

Mr. DAVID THOMSON asked the Minister representing the Minister of Defence, *upon notice*—

1. Whether it is a fact that the Defence Department has cancelled the contract of Messrs. Mountcastle and Co., hat manufacturers (whose contract for the South Australian Department had about twelve (12) months to run)?
2. If so, for what reason, and by whose authority?

Mr. EWING.—I am informed—

1. Yes, together with that of eighteen other contractors.

2. (a) Because it has been decided to abolish clothing boards in each State, in order that Commanding Officers of the respective regiments may make their own contracts for the supply of military clothing required for their respective commands.

(b) The conditions of contract provide that the contract may be terminated by either party on giving three (3) months' notice; and such notice was given by the Minister in March last.

OVERSEA MAIL CONTRACT.

Mr. DEAKIN (Ballarat—Minister of External Affairs) (2.43).—I beg to lay on the table—

Copy of the articles of an agreement made between the Postmaster-General, on behalf of the Government, and Sir James Laing and Sons Limited, of Sunderland, England, ship-builders, the contractors under the agreement.

For the convenience of honorable members I shall briefly summarize the salient features of this new and very important contract.

Mr. SPEAKER.—As it would not be in order for the honorable and learned gentleman to make any comment in laying the paper on the table, it would be well for him to move that the document be printed, if he desires to give any explanation to the House.

Mr. DEAKIN.—I shall take that course. The new contract is for a service between Adelaide and Brindisi, and *vice versa*, once a fortnight, to alternate with a similar service to be provided by the Imperial Government. It is for a period of ten years, and is to replace the existing service by the Orient Royal Mail Company when it expires in February, 1908. The period of transit is to be 636 hours in both directions, as compared with 696 hours provided for in the existing service under the contract with the Government of the Commonwealth, and 662 hours as provided in the contract between the Imperial Government and the Peninsular and Oriental Company. The price as agreed upon for the new service is £125,000 per annum for the transit period above mentioned, but provision has been made for an acceleration of twenty-four hours between Brindisi and Adelaide for a reimbursement of actual expenses incurred, to be determined by mutual agreement or arbitration, but not to exceed £25,000 per annum. This price must be compared with that now paid to the Orient Royal Mail Company, namely, £120,000 per annum for a service of 696 hours, which is equal to about 3s. 8d. per mile, as compared with 3s. 10d. per mile to be

paid for an acceleration of sixty hours. The cost of the Imperial service by the Peninsular and Oriental Company cannot be stated, as it is included in the sum of £340,000 per annum which includes the India and China services also. Provision is also made in the contract for the new service for a still further acceleration, if any other mail service to Australia is running to a faster time-table than that under which the mails are carried by the contractors, upon conditions fully set forth in the contract. The steamers under the 636 hours' time-table would leave Brindisi, calling *en route* at Port Said, Colombo, and Fremantle, and would arrive at Adelaide in time for Saturday's express, thus enabling a simultaneous delivery of the mails to be made in both Sydney and Melbourne early on Monday, and permitting of replies from the former place being sent by the outward mail of the same week, an advantage not enjoyed under the existing arrangements. Under the 612 hours' time-table, the steamers would arrive at Adelaide in time for the express on Friday, and the mails could be delivered in Melbourne on Saturday, in Sydney and Brisbane on Monday, with an accelerated train service; and replies could be sent from Brisbane by the outward mail of the same week. A longer interval would be afforded for replies if an equally favorable alternative service is provided by the Imperial Government. On the outward journey, the steamers will leave Adelaide on Friday, instead of on Thursday, as at present, thus affording a longer interval for replies. In connexion with this improved ocean mail service, an improved railway service is contemplated, avoiding delays which now occur, and insuring greater expedition in both directions.

Mr. JOSEPH COOK.—An improved railway service is contemplated; it has not yet been arranged for?

Mr. DEAKIN.—Not arranged for yet, because three States have to be consulted. Brindisi has been determined upon as the European port for the mails, in order that advantage may be taken of the special trains provided in connexion with the Indian mail service. Provision has been made in the contract for the acquisition of the steamers to be employed under it by purchase, or alternatively for their charter if desired. The port of registry will be within the Commonwealth, and the steamers will fly the Commonwealth flag. Australians will feel that they have a national interest

in a large fleet of mail steamers, of a speed and tonnage at least equal to any other visiting the ports of this country. In connexion with the cost of the new service, it may be well to mention that the payments to be made by Great Britain and other countries will amount to about £25,000 per annum, while, on the other hand, it is estimated that the payments made by Australia to Great Britain for mails carried by the Peninsular and Oriental Company or other steamers under contract to the Imperial Government, will, at the same rates, aggregate about £15,000 per annum, leaving a balance in our favour of about £10,000 per annum. It has, of course, been provided, in accordance with section 16 of the Post and Telegraph Act, that white labour only shall be employed in connexion with the carriage of mails by this service. Five tenders were received, and carefully considered, the accepted tender being the lowest. All the usual stipulations common to mail contracts have been included, and all the advertised conditions are provided for in the contract. Clauses 14, 15, and 16 of the agreement are copies of special conditions approved of by Parliament in the contract made with the Orient-Pacific Company. Under condition of tender No. 4, £2,500 had to be deposited, and the tender was to be accompanied by a bond for £25,000 if it provided for mail ships to be built. £2,500 was deposited. As it was known that mail ships would have to be built, an approved guarantee for £25,000 was required, and has been given in London to the Commonwealth representative, to be held until the bond for that amount by approved sureties is given. The £25,000 guarantee is to be forfeited if the bond for £25,000 is not given on demand. £27,500 is therefore secured. Further, after the first bond is given, if, in the opinion of the Postmaster-General, satisfactory progress is not being made with the building of the mail ships, he may at any time demand a further bond of £25,000 to secure the commencement and performance of the contract, and failing compliance with that demand, within one week, he may cancel the contract—enforce the penalty provided for failing to commence the service and also enforce the first bond, for £25,000. The Government has also received the most satisfactory assurances as to the firm of Sir James Laing and Sons, with whom they have made this agreement. As bearing upon the conditions of the contract, it is desir-

Mr. Deakin.

able to state that now that the Commonwealth has been admitted to the Universal Postal Union as one Administration, the distinctions hitherto recognised as between the States comprised will cease, and the payments hitherto made by one State to another for the carriage of its British and foreign mails will be discontinued, as will also the payments that have been made by the United Kingdom and foreign countries for the transit of mails despatched by them after being landed at Adelaide. It will be seen that the stipulations as to penalties for late arrival are more stringent than those under the present contract, and altogether the contract, which is, for a mail service only, compares most favorably with that now current. I may add that, although the contract is for a mail service only, we are informed that the cool storage accommodation provided on the steamers will be about three times as great as that afforded by the mail steamers at present under contract.

Mr. WATSON.—What will be the tonnage of the proposed new steamers?

Mr. DEAKIN.—11,000 tons.

Mr. HIGGINS.—The contractors are not bound in any way to provide cool storage?

Mr. DEAKIN.—No; they are not bound. This will be a postal contract pure and simple, and will relate to nothing else. In view, however, of the development of our export trade and the probable demand for cool storage for perishable products, the contractors intend to make provision for refrigerating space upon a very much larger scale than has hitherto been attempted. Moreover, it is intended that the plans of the steamers in relation to cool storage and all other matters shall be submitted to us for criticism before the new vessels are built.

Mr. McWILLIAMS.—Will the contractors receive any allowance for bringing their steamers on to Melbourne and Sydney?

Mr. DEAKIN.—No. Nor is there any contract that they shall proceed to Melbourne and Sydney. At the same time I have every hope that they will not only convey passengers and cargo on to those ports, but that they will go on to Brisbane. Negotiations to that end are now in progress. I have been in communication with the Government of Queensland in that connexion, and hope to soon have a definite reply from England by cable. If the contractors go on to Melbourne, Sydney, and Brisbane, they will do so for their own purposes.

Mr. KELLY.—Will they go on to New Zealand also?

Mr. DEAKIN.—I have seen a statement in the press to that effect, and am not in a position to contradict it. If the steamers go on to New Zealand, the contractors will not be in any way relieved of their responsibilities to us. It would be fortunate if the New Zealand Government could see its way to lend its support to this line of steamers, and so make the service thoroughly Australasian.

Mr. THOMAS.—What wages are to be paid to the crews?

Mr. DEAKIN.—The information placed in my hands does not include particulars on that head. The contract is on the table, and will be printed and circulated among honorable members, and I trust that we shall be able to bring it under consideration next week. It should be dealt with as soon as possible, not only because of its importance to us, but because the contractors should be allowed ample time for the building of the steamers.

Mr. LIDDELL.—Have the Government obtained any guarantee from the States Governments that they will make full use of the storage space?

Mr. DEAKIN.—I communicated with all the States, but not one of them was in a position to enter into a definite agreement. There is a strong disposition on their part to make use of the cold storage space, and the tendency in that direction will no doubt be increased owing to the rapidity of the transit afforded. I regret that circumstances did not permit the regular shippers of Australia to join together and engage the whole of the cold storage space for at least a portion of each year. Our output of exportable products has now reached such a stage that shippers might have given a guarantee such as I have described, and have secured shipping accommodation upon much more favorable terms than has hitherto been possible.

Mr. DUGALD THOMSON.—What about droughts?

Mr. DEAKIN.—No doubt it was owing to the possibility of such unhappy conditions recurring that our shippers considered that they would not be justified in entering into a definite contract. I have every expectation that these large steamers, travelling at a high rate of speed, will commend themselves to shippers generally.

Mr. WATSON.—Will the Government have any voice in regard to the plans of the steamers?

Mr. DEAKIN.—The plans are to be submitted to us, and our wishes will be met as far as possible.

Mr. CONROY.—Does the Prime Minister think that the new service will result in a reduction of freights?

Mr. DEAKIN.—I should say that an increase in the vessels with cool storage capacity trading to Australia, and the introduction of swift steamers, would tend to reduce freights.

Mr. KNOX.—Will the contractors be compelled to employ wholly new steamers?

Mr. DEAKIN.—Within a very short time the service will be carried on entirely with new steamers—that is the intention of the contractors.

Mr. THOMAS.—How many steamers are there to be?

Mr. DEAKIN.—That information is not contained in the epitome furnished to me. I move—

That the document be printed.

Mr. JOSEPH COOK (Parramatta) [2.55].—I do not intend to take up the time of the House in discussing this matter at present, but I should like to refer to one or two points, and particularly to the small amount of the deposit which is being required from a company which has yet to be formed, and has yet to build its ships. It strikes me that those who have been able to secure an option of such importance for £2,500 have made an exceedingly good bargain.

Mr. DEAKIN.—The honorable member must recollect that no deposit whatever was required in connexion with the previous contract.

Mr. JOSEPH COOK.—May I suggest that there was a great difference in the circumstances? In that case, there was a fleet of steamers operating under an existing contract with the Government. In this case, however, so far as we know, not one boat has yet been built. We know nothing about the previous operations of the contractors.

Mr. DEAKIN.—We know Sir James Laing and Sons.

Mr. JOSEPH COOK.—I do not know anything about them.

Mr. DEAKIN.—We have £27,500 by way of deposit.

Mr. JOSEPH COOK.—Not in cash down.

Mr. DEAKIN.—In cash, or its equivalent.

Mr. JOSEPH COOK.—As I understood the terms of the arrangement, the company were required to make a deposit of only £2,500.

Mr. DEAKIN.—That was in the first instance. Now we have a bank guarantee for £25,000, in addition to the £2,500, which is as good as cash.

Mr. JOSEPH COOK.—If that amount is already in the bank as a *bonâ fide* deposit which is liable to forfeiture, I admit that the case is altered to the extent that in regard to a contract which aggregates about £1,250,000, the contractors have been called upon to pay a deposit equal to about 2 per cent. of the amount involved. I submit that even that is a very small deposit to require in regard to so largely speculative an undertaking as this. It seems to me that the contractor has obtained specially favourable terms, and the Postmaster-General will require to justify them when the matter comes on for discussion.

Mr. DEAKIN.—The terms were advertised from the first.

Mr. JOSEPH COOK.—I should like to know whether there is any objection to lay the other tenders on the table?

Mr. DEAKIN.—I think it is probable that there will be objections, but I shall make inquiries.

Mr. JOSEPH COOK.—I hope that unless such a course would be very unusual, the Prime Minister will lay the other tenders on the table for the information of honorable members.

Mr. KELLY.—Were all the tenders for the same period?

Mr. JOSEPH COOK.—I should think so. However, this is not the time at which we should enter into details. I observe that a great deal of satisfaction was manifested by honorable members of the Labour Party when mention was made of the socialistic sop included in the contract.

Mr. DEAKIN.—The British Government also included it.

Mr. JOSEPH COOK.—But they did so for reasons very different from those which have actuated the Government. However, if the provision to which I refer appeals to my honorable friends in the corner, it will no doubt accomplish its main purpose—its grand objective. I hope that the Prime Minister will afford us the fullest possible opportunity to discuss this matter involv-

ing, as it does, a very grave departure from the conditions we have enjoyed in Australia for many years past.

Mr. R. EDWARDS (Oxley) [2.59].—I wish to ask the Prime Minister whether it is true that whereas Mr. Croker informed the Government that the new mail steamers would proceed to Melbourne and Sydney, no such undertaking was given with regard to Brisbane.

Mr. DEAKIN.—I am in communication with the Queensland Government upon that point, and shall be prepared to lay on the table all the papers as soon as the negotiations have been completed.

Question resolved in the affirmative.

AUSTRALIAN INDUSTRIES PRESERVATION BILL.

In Committee: (Consideration resumed from 6th July, *vide* page 1138.)

Clause 12—

In this Part of this Act—

“Board” means a Board appointed under this Part;

“The Comptroller-General” means the Comptroller-General of Customs;

“Imported goods” and “Australian goods” include goods of those classes respectively, and all parts or ingredients thereof;

“Produced” includes manufactured, and

“Producer” includes manufacturer;

“Trade” includes production of every kind.

Mr. ROBINSON (Wannon) [3.2].—Does the Minister not intend to give the Committee any explanation of this part of the Bill? Amendments which form practically a new Part III. to this Bill have been circulated by the Government, and we are entitled to some explanation of them.

Sir WILLIAM LYNE (Hume—Minister of Trade and Customs) [3.3].—It is true that I have given notice of amendments in this part of the Bill, but they chiefly deal with a proposal in substitution for the Board provided for in the Bill as it stands. As I have previously stated, it was originally intended, if we could have managed it, to have had matters dealt with under this part of the Bill decided by a Judge, rather than by a Board. Lately it has been found possible to secure the acquiescence of the High Court in the request that they should consider these matters, and amendments have been circulated substituting a Justice of the High Court for the Board. Honorable members understand that it is a very difficult thing to secure a satisfactory tribunal for the decision of matters of this kind.

Mr. HENRY WILLIS.—Is there to be a jury as well as a Justice of the High Court?

Sir WILLIAM LYNE.—No. I need not go into the details of the amendments at this stage. It is proposed that questions arising under this part of the Bill shall be decided by a Justice of the High Court, but there is to be a reservation giving the Executive power at all times to reduce or modify, though not to increase, the penalty inflicted by the Justice.

Mr. HENRY WILLIS.—Is a permanent appointment to be provided for?

Sir WILLIAM LYNE. — The Justice will be one of the Justices of the High Court.

Mr. HENRY WILLIS.—Will the same Justice act throughout?

Sir WILLIAM LYNE.—I am not prepared to answer that question. I suppose that will be a matter for the High Court Bench to decide. I freely admit the difficulty of getting a satisfactory tribunal to deal with these matters; but what we propose in the amendments which have been circulated will provide as satisfactory a tribunal as it is possible for us to get.

Mr. WILSON (Corangamite) [3.5]. — I am rather disappointed at the remarks made by the Minister. The honorable gentleman, at an earlier stage, promised us that before the clauses relating to dumping were considered he would give some information with regard to the dumping that is alleged to be going on in Australia. I asked for that information, and I think it should be supplied before these clauses are gone on with. If the Minister has this information, why does he withhold it?

Sir WILLIAM LYNE.—I gave the information twice.

Mr. WILSON. — I beg the honorable gentleman's pardon. He mentioned no cases of dumping either in his speech on the second reading of the Bill or in the speeches which he has subsequently made. I consider that the honorable gentleman is merely flouting the House, in refusing to give this information. He is asking honorable members to pass legislation in the dark, and the manner in which he has treated the Committee calls for an expression of the strongest disapprobation. Let the honorable gentleman open his box and make the Committee acquainted with the horrible cases of dumping which have come under his notice, or let him have a statement of the matter tabled and printed. I

ask the Minister to fulfil the promise which he made to honorable members on the second reading of the Bill, and which he has not yet fulfilled.

Sir WILLIAM LYNE.—I have done so twice.

Mr. WILSON.—The honorable gentleman has done no such thing. If honorable members will look through *Hansard*, they will find that the Minister has not quoted any cases of dumping. I ask that he should give the Committee all the information he has on the subject before these clauses are proceeded with.

Mr. McCAY (Corinella) [3.8].—When speaking on the second reading of this measure I asked the Minister of Trade and Customs if he would give us the cases within his knowledge or within the knowledge of the Department in which dumping has taken place to the detriment of industries. So far as my memory serves me, the honorable gentleman replied that he would not give the information then, but would give it when he was replying to the debate on the second reading. Perhaps the honorable gentleman will tell me whether I am correct so far. The Minister did not give that information in replying to the second-reading debate.

Sir WILLIAM LYNE.—Yes; I did.

Mr. McCAY.—The honorable gentleman did not give us what he promised, namely, specific cases.

Sir WILLIAM LYNE.—I did not promise to give specific cases.

Mr. McCAY. — I shall presently quote exactly what is reported in *Hansard* on the subject. The Minister led honorable members to understand that in replying to the second-reading debate, he would give us instances of injury to Australian industries, by means of dumping—that he would give us instances of dumping that was taking place or had taken place. I was very much disappointed when the honorable gentleman replied to the second-reading debate to find that no such instances were given. I pointed out to him that it would materially assist those who desired to see Australian industries progress if they were able to point to special instances in which injury was being done them by means of unfair competition. The Minister did not give the information he promised then, and he has not given it now. I wish to say that I am no foe to a measure of this kind, but I pointed out on the second

reading that I did not like the methods here proposed of providing against dumping. The Bill will improve by the amendments the Government have circulated, but, even as now drafted, it is not what it ought to be. When honorable members ask the Minister for information, he should not only be willing to give it, but it is his duty to give it. We are asked by the Minister of Trade and Customs to pass a law on the subject of dumping, and he says that he has information which shows the justification for such a law, but that he will not give us that information. That is what it all boils down to. I do not know what view of the circumstances is taken by honorable members in other parts of the House, but, so far as my limited experience goes, I have never before known a Minister to dare to take up such a position with either supporters or opponents.

Mr. JOHNSON.—We knew that the honorable gentleman was bluffing all the time.

Mr. McCAY.—I do not say that. I credited the Minister's statement that he had the information of which he spoke, but I demand that it should be given to the Committee in order that we may be able to form an opinion upon it. At page 469 of *Hansard*, honorable members will find that on the 20th June, speaking on the second reading of the Bill, I said—

I believe that dumping, as we understand it—that is, dumping at unremunerative prices, for the express purpose of destroying local competitors, and thereafter dumping at highly remunerative prices—is threatened in Australia, and that such a practice as that cannot be met by ordinary Tariff remedies. But I do not believe that it will occur in many cases. So far as I know it has not occurred at the present time. Perhaps the Minister will correct me if I am not as familiar with the facts of Australian commerce in this respect as he is.

I must ask for the Minister's attention to this quotation.

Mr. ISAACS.—We are simply following what the honorable and learned gentleman is reading.

Mr. McCAY.—I went on to say—

I will ask him whether there are any cases within his cognisance in which dumping has taken place to the substantial detriment of Australian industries.

Sir WILLIAM LYNE.—I think so, most certainly.

Mr. McCAY.—Then I said a little later—

Will the Minister be good enough to tell the House in what industries his experience leads him to suppose that dumping of the kind to which he objects is taking place.

Sir WILLIAM LYNE. — I shall reply to that question at the close of the debate.

Sir WILLIAM LYNE.—That does not say that I would give individual cases.

Mr. McCAY.—Has the Minister told us in what industries the dumping has taken place? If he has, I should like the honorable gentleman to refer me to the columns of *Hansard* in which his statement to that effect is recorded.

Sir WILLIAM LYNE.—I replied to the question when we went into Committee.

Mr. McCAY.—I further said this—

I venture to say that if a member of the Labour Party had asked the same question that I have asked, the Minister would have given an answer—and a much more definite one—than he has condescended to give me."

Then the honorable gentleman indulged in a little sarcasm, and said—

I said, "Yes, Mr. McCay."

The point is that the honorable gentleman said "Yes," and he has not done it. Will the honorable gentleman, by a reference to *Hansard*, show me when he informed honorable members, subsequent to the 20th June, of the industries in which his experience leads him to suppose that dumping has taken place? If the Minister will show me where he has done that, I shall say no more.

Sir WILLIAM LYNE.—Let the honorable and learned gentleman go on talking. I do not wish to stop him.

Mr. McCAY.—I desire that the Minister should give us that information, and the moment that he says he will give it, I shall assure him that I shall be prepared to postpone what more I have to say, in order to learn what the honorable gentleman's information is. I cannot understand the position the Minister is taking up.

Sir WILLIAM LYNE.—I cannot understand the honorable member.

Mr. McCAY.—The Minister's capacity for not understanding is unlimited.

Sir WILLIAM LYNE.—The honorable member's capacity for misrepresenting is unlimited.

Mr. McCAY.—So far as I recollect, the Minister did not reply on the second reading.

Sir WILLIAM LYNE.—Yes, I did; the honorable member is wrong again.

Mr. McCAY.—Then I am wrong in that.

Sir WILLIAM LYNE.—And in everything else.

Mr. McCAY.—It appears now that the Minister did not reply on the second reading,

but that he did not name the industries in which dumping is taking place.

Sir WILLIAM LYNE.—And why? Because I was asked not to make a lengthy speech, owing to the late hour.

Mr. McCAY.—So far as I am concerned, the Minister made a promise that he has not fulfilled, and we have come to a part of the Bill which deals with the subject-matter to which his promise relates.

Sir WILLIAM LYNE.—This is a professed supporter of the Bill!

Mr. HUGHES.—I rise to a point of order. I understand that clause 12 is now before the Committee.

Mr. JOSEPH COOK.—The honorable member does not say so!

Mr. HUGHES.—I do say so, in spite of all I have been hearing. If we are allowed to discuss these matters on clause 12, shall we be allowed to transcend that liberty, and have a general discussion as to the advisability of dumping—as to whether dumping occurs, and in what particular industries, and how to prevent it? The topics with which the honorable member for Corinella is dealing are very interesting to me, and, as I hear of them for the first time, I very naturally want to know all about them, because my fiscal predilections do not lead me to swallow all that is said, exactly as if it were jam on the end of a spoon. At the same time, I desire to know whether I shall be permitted to indulge in similar playful excursions, or whether this indulgence is to be confined to gentlemen on the other side, for the remainder of the afternoon.

The CHAIRMAN.—The honorable and learned member for Corinella is perfectly in order in following the course he is taking.

Sir WILLIAM LYNE.—A new ruling!

The CHAIRMAN.—I object to the Minister of Trade and Customs saying that this is a new ruling. It is my ruling.

Sir WILLIAM LYNE.—We ought to be dealing with the clause, but we are dealing with the Bill.

Mr. McCAY.—On the 20th June the Minister of Trade and Customs promised to give us certain information when he replied on the second-reading debate. Two or three moments ago he interjected that he had not given the information, for the specific reason that he was asked to be brief. We have the Minister admitting that he made a promise which he did not keep.

Sir WILLIAM LYNE.—I did not admit anything of the sort. The honorable member is misrepresenting me all the time.

Mr. McCAY.—The Minister said that he did not give this information, when replying on the second reading, because he was asked to be brief. That may be a perfectly good reason, but the fact remains that he did not give the information. I now ask the Minister, not merely as a professing supporter of the Bill, but in the interests of the fiscal faith that I hold—

Sir WILLIAM LYNE.—Which is it?

Mr. McCAY.—In the interests of the fiscal faith that I hold, which thereby induces me to agree to every reasonable proposal for securing and fostering Australian industries, I put the question to the Minister. I hope that is sufficient answer to the honorable gentleman, because the particular little joke he uttered is just about played out now.

Sir WILLIAM LYNE.—I do not think it is; it is just commencing.

Mr. JOSEPH COOK.—Unlike the Minister of Trade and Customs, the honorable and learned member for Corinella supports protection when out of office.

Mr. McCAY.—The public of Australia, to the extent to which they are interested in me, know perfectly well that, so far from my wavering on the subject of protection, my trouble has always been with those who disapprove of me as too strong a protectionist.

Mr. LONSDALE.—The honorable and learned member does not waver enough!

Mr. McCAY.—And I do not intend to waver. There are many protectionists, as well as others, who are very anxious about the possible effects of this part of the Bill, and who fear that it may work harm. Consequently, if the Minister is sincere in his fiscal faith, he should be more than willing—he should be eager—to give information that will enable those who agree with him to justify the proposals he is making. All I have done since I rose on the present occasion has been to repeat, in different ways, my request for the information which the Minister promised. I wish the Minister to keep his promise to me. I know that the honorable gentleman only needs to be reminded of his promise in order to hasten to keep it, and I ask him now—is he prepared to give us the information? I am afraid that silence does not mean consent with the Minister of Trade and Customs; he is, I suppose, the

exception that proves the rule of the proverb.

Mr. JOHNSON.—It means that the Minister has only been bluffing all the time.

Mr. McCAY.—It does not mean that. It means one of three things; it means, either that the Minister has not any such information, or that he has the information, but that it is so meagre that it will hurt rather than help his case to produce it, or it means that, having the information, he wishes to show that he can bludgeon the measure through the House without producing it.

Mr. PAGE.—The Minister is only giving the honorable and learned member a dose of his own physic.

Mr. McCAY.—I never had a chance of bludgeoning a measure through the House.

Mr. PAGE.—What about preference to trade unionists? "Sandbaggers"!

Mr. McCAY.—It would be distinctly out of order to turn aside to reply to those interjections. At the proper time I shall be prepared to deal with those and many other matters, but, for the present, I ask the Minister whether he is, or is not, going to give us the information. That is a plain question couched in civil terms. This Commonwealth and the country are entitled to the information, and those who are most friendly to the measure, and are prepared to accept it on finding reasonable justification in the industrial facts of Australia at the present time, are those who will be hurt by the Minister's silence. The opponents of the measure—some of my free-trade friends—will not be at all hurt by the silence; they will say, as one or two have already done by way of interjection, that the Minister is silent because he has not the information. I have great respect and affection for many of my friends on this side of the House, but I wish to see them confounded and confuted on this one occasion by the Minister giving the information. Has the Minister got the information? May I ask the Minister to tell me that? The Minister is ever ready to interject when he is not desired to do so, but his silence is abysmal when he is asked to give an answer to a plain question. I desire to know what are the facts which require this part of the measure. Will the Minister speak if I stop now, and give him an opportunity?

Sir WILLIAM LYNE.—Let the honorable member try!

Mr. McCAY.—Will the Minister do that? I wish to say that I am going to continue asking for the information until I get it. I shall sit down now, in order to give the Minister an opportunity to give the information, but I do, in all seriousness, protest against this treatment of the Committee. A Minister who says that he has information, and does not give it, deserves the reprobation of honorable members, whatever may be the state of parties. I myself should resent such an attitude just as strongly if I were the Minister's strong supporter, and if I had as much belief in him as I have profound disbelief.

Sir WILLIAM LYNE.—Thank God the honorable member is not a supporter of mine!

Mr. HENRY WILLIS (Robertson) [3.25].—I feel with the honorable member for Corinella—

Mr. WILKS.—Give the Minister a chance to reply.

Sir WILLIAM LYNE.—Let the honorable member go on.

Mr. HENRY WILLIS.—Having read the report in the press of the Minister's speech, wherein he told a deputation of manufacturers and producers that he would have inquiries made into their representations, and fully consider them, I expected him to come down to-day prepared to make a statement. I had that expectation especially in view of the fact that, under this part of the Bill, we have a little Tariff, and it would not be unusual for a Minister, under the circumstances, to give some reasons for bringing forward proposals of the kind. I read the report of the Minister's speech, in which he pointed to the fact that £7,000,000 worth of iron-ware and machinery are imported into the Commonwealth, as a reason for the introduction of Part III. of the Bill.

Mr. WILKS.—Surely the Minister did not argue that all this importation is dumping?

Mr. HENRY WILLIS.—The Minister referred to it as dumping.

Mr. WILKS.—The whole lot?

Mr. HENRY WILLIS.—I suppose it was in reply to the request made by the honorable member for Corinella, that the Minister, at a later period, again referred to the importation of the £7,000,000 worth of goods—referred to it in brief, saying that he had not time to go into the matter fully. The Minister expressed a

wish that he had had time to work out the money in Australian coin, so as to show the actual loss caused by this dumping, as compared with the prices at which the goods are sold in America and Great Britain. The Minister ought, certainly, to give some reasons for the introduction of Part III., which is really a Tariff covering metalware and machinery imports to the value of £7,000,000. How are we to consider this clause unless the Minister does make a statement? Are we to be content with the mere vote of the brutal majority the honorable gentleman may have at his back? Are manufacturers and capitalists—and also producers, who are now included with manufacturers—to receive no consideration in this Bill? Are the industries referred to by the deputation, to be all ignored? Are men who have entered into manufacturing enterprises to be discouraged? Are they to lose the whole of their capital under Part III. of this measure? Is all this to be done without the Minister condescending to make a statement to the Committee? The Minister has told us that he proposes to appoint a Judge to take the place of a Board. What does a Judge know of commercial affairs? The most astute Judge or lawyer, if he is keen in his profession, has had very little time to follow commercial pursuits. What does such a man know of the manufacturing industries of Australia? He certainly knows very little of the conditions under which operatives work and live. In the Arbitration Court of New South Wales it was found possible to obtain the services of a Judge, in the person of Mr. Justice Cohen, who, as a merchant, had had a commercial career before he became a lawyer. In that regard, I suppose New South Wales was fortunate in obtaining the services of such a man; and, when he resigned the position was given to Mr. Justice Heydon, who also had had the advantage of a previous commercial career. But the Justices of the High Court of Australia, who are doing their work so satisfactorily, have not had commercial careers, and are not competent to deliberate on such cases as would be brought before them under Part III. of the measure. The Minister ought to give some reason for appointing a Justice of the High Court in preference to a commercial man. If such questions are to be left to one person, let him be a highly competent commercial man, who knows something of

the industries of Australia—who knows something about shipping, and who has travelled widely, and has some knowledge of the condition of manufactures in other parts of the world. Nor does the Minister appear at all inclined to give the Committee any information by which we may deal satisfactorily with this proposal. These dumping clauses would operate in the same manner as a prohibitive Tariff. In his introductory speech, the Minister entered into details in support of them. He said that some friends of his had put £600,000 or £700,000—to use his own figures—into the industry of bringing shale out of mines in New South Wales, putting it into a kiln where it would be baked, and extracting from it crude kerosene oil. This oil is to be brought into competition with oil taken from the oil wells of America. These friends of the Minister, he told us, have constructed a railway, at a cost of £80,000, and we are asked to believe that they are to sell their product in competition with oil which is obtained in America as easily as you can take water out of the sea. If these clauses are to be put into operation against American kerosene, the effect will be to increase the cost of oil to settlers in the back country, to farmers, and to all who use oil engines. I am inclined to think that the Committee will not be satisfied with the information with which we have already been supplied. In the Minister's absence last week we dealt with this phase of the question pretty fully. We shall be able to make better progress this week if the Minister will make a statement giving us the information which he says he has at his disposal. When the Tariff was under discussion it was the usual practice for the Minister in charge to make a statement upon which a debate occurred. It was found that that practice conduced to the saving of time. If the Minister will accede to what appears to be the general request of the Committee, and will justify his action in placing these clauses in the Bill—if he will show cause why he should be intrusted with power to keep goods out of Australia in the manner proposed—I shall be glad to hear what he has to say. Will the Minister interject to let us know whether he intends to say anything? Is it his intention to keep out of this country £7,000,000 worth of goods per annum under the heading of metals and machinery

—goods which are the requisites of settlers and farmers in the back country? These clauses will have to be analyzed with the greatest detail unless we have more information.

Mr. LONSDALE (New England) [3.35].—I echo what the honorable and learned member for Corinella has said, that we should have the fullest possible information before we are called upon to pass these clauses. They rest upon the foundation that dumping of a mischievous character is taking place, and that it is injurious to Australian industries. There is absolutely no need for this Bill, unless such dumping does take place. Therefore, if the Minister furnishes us with no information in proof of his statements, we should refuse to proceed with the measure. Personally, I believe that he has no information of the kind. I am of opinion that there is no dumping of such a character as to injure the industries of this country.

Sir WILLIAM LYNE. — I will give the honorable member some soap.

Mr. LONSDALE.—The Minister has soft-soaped a number of people in this country, but there is one man whom he cannot soft-soap, and that is myself. The honorable gentleman is trying to force this Bill through by bluff. Why does he not bring forward the evidence collected by the Tariff Commission to show that dumping is proceeding to the injury of Australian industries? He would not consent that this information obtained at such cost, and given on oath, should be at our disposal before proceeding with the Bill, because, in my opinion, he was satisfied that if the Tariff Commission's evidence were before us it would be proved conclusively that there was no need for the Bill.

The CHAIRMAN. — The honorable member must not discuss the Bill, but the clause before the Committee.

Mr. LONSDALE.—The Minister cannot give a single instance of dumping that has injured any industry in Australia. It is true that he has referred to wire nails and a few other commodities, but there was no proof in what he said that injurious dumping takes place. Because goods are sold here for less than the price at which they are sold in America, it does not prove that they are dumped into Australia. It simply proves the absurdity of a fiscal policy which consists in keeping up prices of goods in a protected country, and enabling the same goods to be sold cheaply abroad.

Mr. HUGHES.—I think the honorable member is proving too much.

Mr. LONSDALE. — If there is any dumping whatever, there ought to be plenty of proof of it. Strong free-trader as I am, if it were shown to me that manufacturers abroad were trying to kill our industries with the ulterior purpose of raising prices, I should at once be inclined to stop that kind of thing. If the Minister will take the Committee into his confidence, and will give the information that he has indicated that he possesses, I shall gladly listen to him. But, honestly, my opinion is that he has no such information; and, therefore, I urge that there is no necessity to pass clauses which will have such an injurious effect upon the trade and commerce of these States.

Mr. HUGHES (West Sydney) [3.40].—Honorable members opposite have taken exception, some for one reason, and some for another, to the introduction of these provisions; but it appears to me that the objection to pass the clause, unless the Minister makes a certain statement, which it is alleged that he promised to make later on, is an argument not deserving of very much attention.

Mr. JOSEPH COOK.—Is a promise nothing?

Mr. HUGHES.—What I mean is that it is quite immaterial whether the Minister has at his disposal certain instances which would seem to show that it might be desirable that this measure should become operative in the future. It is nothing to the point to say that there is to-day only one industry that might be affected by the clauses, if to-morrow or next year there may be half-a-dozen other industries affected. I know very well that honorable members opposite, some of whom are free-traders, and some of whom have almost forgotten what they are—

Mr. KELLY.—Like the honorable member!

Mr. JOSEPH COOK.—What is the honorable member nowadays?

Mr. HUGHES. — What am I nowadays? I occupy this singular position—that I am now exactly what I was when I first entered this Parliament; and that is so far from being true regarding many honorable members opposite, that nine out of every ten of them do not know where they stand. What has happened to some of them? Here, in the honorable member for

Gippsland, we have a living answer to the interjection of the honorable member for Parramatta—an interjection pertinent, as he imagines, but impertinent, as I think. He is the head and front of the offending. I suppose that he is the living embodiment of the protectionist policy. There is another honorable member, the honorable and learned member for Corinella, who has lately found that creed, which he conveniently buried beneath the ocean of political exigencies for a little while.

Mr. JOSEPH COOK.—And the honorable and learned member and the Minister match them.

Mr. HUGHES.—The Minister and I have been on one side before. When we were on that side the honorable member was on the wrong side, as he is now.

Mr. KELLY.—What has this to do with the Bill?

Mr. HUGHES.—I am just holding up my end when I am attacked by honorable members who are sitting on the other side, and whose fiscal opinion is now rather murky. I am not going to say that mine is crystal clear, for, like St. Paul, I am beginning to see things "as through a glass darkly."

Mr. WILKS. — The honorable and learned member sees them upside down, I am very much afraid.

Mr. HUGHES.—At any rate, I shall follow the footsteps of my illustrious fiscal leader to the bitter end—the one who in season and out of season has always been consistent in his fiscal policy, and whom I have always followed faithfully and well.

Mr. JOSEPH COOK.—Who is that?

Mr. HUGHES.—The right honorable member for East Sydney. Whom else would it be? I was returned here as his follower on the fiscal question, and I intend to follow him. Where does he lead me? He leads me to the lotus-eating land where these everlasting truths are laid aside for a convenient season. However, to return to the clause, honorable members on the other side affect to believe that it is essential that some revelations which the Minister has at his disposal should be divulged before the measure is passed. As I said, by way of interjection, dumping, theoretically considered, seems to me rather absurd. The children of Israel murmured at the manna. That was dumped undoubtedly, and at the end of a given time they got tired of it. I assume that we are very much like the

children of Israel; certainly we are wandering in the wilderness. There is no clear and certain light. There appears to be no particular reason why we should keep out foreign goods unless their importation disorganizes industries in this country. As to whether it does or not, all I have to say is that it can readily be seen whether it will do so. The honorable member for Robertson—whose argument in reference to American oil and locally-made shale oil would appear to represent the opinions of honorable members opposite—seems to me to have overlooked several most important facts, particularly one set forth in clause 13. Who is to judge as to what is unfair competition? The honorable member for Robertson objected to the question being decided by a Justice of the High Court, because he would have had no commercial training. It is a singular thing that, first of all, honorable members on the other side objected to the Minister deciding the question, because he was a party man. They said that the Minister might hold one opinion to-day, and that he might be followed by another man with a different opinion to-morrow. Then they objected to the question being decided by a Board of business men, because they placed no reliance upon the men of whom it would be composed. And now they object to the question being decided by a Justice of the High Court, because he has had no business training.

Mr. CAMERON.—We object to the whole Bill.

Mr. HUGHES.—The honorable member takes up a consistent attitude, and that is right. It does seem absurd for honorable members to say, "We will accept this proposal if there is a different tribunal created," when they object equally to a tribunal composed of the Minister, to one of business men, or to a Justice of the High Court.

Mr. DUGALD THOMSON.—Who are the "they" whom the honorable and learned member is speaking of?

Mr. HUGHES.—I do not know.

Mr. DUGALD THOMSON.—The honorable and learned member is speaking of different men with different opinions.

Mr. HUGHES.—All I know is that Justices of the High Court, like Justices of every other Court, are called upon nearly every day to decide matters of far-reaching commercial interest, and that, in such matters, they take the opinion of experts.

I would sooner go before a Justice of any Court than I would before a mere board of so-called experts.

Mr. DUGALD THOMSON.—That suggestion came from this side.

Sir WILLIAM LYNE.—No. It was suggested last year by this side, before the Bill was brought in.

Mr. HUGHES.—If the Minister knows of any particular industries the circumstances of which render it expedient that the measure should be brought into force immediately, he might let us know what they are. If he knows of any where it is expedient to take that course immediately—

Mr. CAMERON.—It would strengthen his case.

Mr. HUGHES.—Yes. I do not say for a moment that I should not vote for this proposal in any case, with this one safeguard—that it must not be put into force unless it be to the interests of the producers, workers, and consumers. Take, for instance, kerosene oil. On the face of it, how can it be to the interests of the consumer to impose such restrictions as will increase the price of kerosene oil by, say, 200 or 300 per cent.

Mr. WILKS. — Does not the honorable and learned member see how absurd the Bill is?

Mr. HUGHES.—I do not know what the Minister thinks. All I say is that, under the provision, he will not be the one to decide the point. If a man went into the Arbitration Court with a case, such as the honorable member for Robertson has given, he would not succeed. Take the Milk Carters' case, where the men asked for one delivery of milk on Sunday. Amongst other things, it was stated by the employers that this would necessitate the payment of higher wages, and some said, "We cannot afford to pay an increase." The proof of that would settle the case. I apprehend that the same sort of evidence would be effective here. Therefore, if the price of a commodity is going to be enormously increased in that way, I apprehend that, under this section, a decision in favour of a particular manufacture could not be obtained. If such a decision were obtained, and the price of the commodity were effectively increased, then certainly that could not be consistent with showing a due regard to the interests of the producers, workers, and consumers. With my eyes open, I could not vote for anything that would have such a result.

Mr. FOWLER (Perth) [3.53].—As one who has been busily engaged for some time in investigating cases of alleged dumping, I also would be glad if the Minister would give some specific instances. He may be in possession of information which has not been laid before the Tariff Commission, and, if so, it ought to be placed before the Committee. Seeing that dumping is alleged to be carried on in Australia to a considerable extent, this question ought, I think, to be threshed out, in view of all possible evidence, for the simple reason that it seems to be very largely a stock argument used by those who desire increased duties. If one is to believe all that has been stated before the Tariff Commission, one is driven to the conclusion that there is hardly such a thing as legitimate trade carried on in the matter of imports. Dumping has been alleged in innumerable cases—from rock salt to cotton wadding. Whenever a man wants an increased duty, and seems to be hard pressed for a reason, then dumping is alleged. I can say without hesitation that, when followed up, a great many cases of alleged dumping seem for the most part to have dissipated into thin air. I admit readily that in a country like Great Britain dumping undoubtedly is carried on. That is to say, a country with a large population and free ports offers facilities for those who wish to get rid of surplus stock in other countries and still get the best possible rates. And because this dumping has existed in Great Britain, as has been frequently admitted even by free-traders, it has been found a very useful argument, indeed, I should say almost a scarecrow, to be used in Australia. It has been so introduced and established by the great protectionist organ of Victoria, which, day in and day out, has brought before the eyes of its readers the danger and the detriment of dumping, until the idea has positively obsessed all protectionist politicians. Although I admit readily that dumping has been carried on in the case of Great Britain, and for certain reasons, there are, so far as Australia is concerned, reasons which will tend for many a day to come to make dumping a very rare occurrence indeed. I do not want to introduce now in detail any of the evidence which has been submitted to the Tariff Commission. But I want to give what I might call *a priori* arguments to show that dumping is not likely to be car-

ried on here under present conditions. Dumping is of two kinds. Goods may be introduced into a country with the object of killing a local industry, or they may simply be introduced to bring what they will fetch, without reference to whether there are competing industries in the country or not. With regard to the first class of dumping, the conditions under which it could be carried out are very rare. No one would allege for a moment that any business man in a country outside Australia interested in an industry which is pretty generally conducted throughout the world would send his goods here and sacrifice them, in order to kill an Australian industry, for the simple reason that he would be doing something which could hardly bring him any advantage. If he killed the local industry he would simply do so, not for his own benefit, but for the benefit of other competitors by whom he was surrounded. I take it that no business man is such an arrant fool as to spend money in killing an industry in Australia when he has stronger and more powerful competitors around him, who would immediately step in and get the advantage of his sacrifice. The suggestion is absolutely ridiculous when it is examined from a business point of view. Again, take the dumping of goods into Australia in order that they may bring whatever they will fetch. In Australia the conditions are such as to make that a most improbable act. In the first place, if a merchant in a part of the world which produces a superfluity of goods of a certain kind wants to dump, he will look for the biggest market he can possibly find, for the simple reason that if he were to select a limited market and send his goods there, the mere fact that they were thrown at the consumers would tend to bring down their value very considerably.

Mr. JOHNSON.—And it will not be a protected market.

Mr. FOWLER.—No Australian market presents those necessary conditions to the man who wants to dump goods. The Australian market is too limited to induce a man on the other side of the world to send his goods here, and run the risk of getting for them prices much lower than he could obtain in a larger market. Great Britain is the dumping ground for the surplus products of the protected countries of the world, because her market is open, and is situated nearer to the manufacturers, while

it is also the biggest available. If a manufacturer has a large quantity of goods of which he wishes to dispose, he sends them into that market, because he knows that there the risk of a flooding taking place which would seriously lower their values, is the least possible. But manufacturers know that goods sent to this market are likely to be affected in price by the mere fact that they are being dumped. I desire more information on the whole subject than is yet in our possession, before proceeding with these clauses. I do not wish to vote for a mere electioneering kite, which the Bill seems to be. It is just possible that those responsible for it have introduced these clauses before the presentation of the reports of the Tariff Commission, fearing that, if they waited, those reports would show no justification for their action.

Mr. JOSEPH COOK (Parramatta) [4.4].—The honorable member for West Sydney has delivered a most interesting, though, on the whole, a very peculiar speech. He began by abusing those on this side of the Chamber, and also their attitude in regard to the fiscal question generally, and declared that the right honorable member for East Sydney is still his fiscal leader. It may be that he is following the right honorable gentleman, but, if so, he is following him afar off.

Mr. McCAY.—Following him with a brick.

Mr. JOSEPH COOK.—For the last year or two he has been following him throughout the Commonwealth with a political brick in his hand. If he regards his present conduct as a backing of his fiscal friends, I say a plague on such backing. He declared himself to be in favour of the Bill, and, in supporting the measure without expressing the slightest desire for its modification, he is not following the Bill into opposition. Throughout last week, he was paired with the Government and against the Opposition on these dumping clauses, and in regard to other provisions. No honorable member has "jumped Jim Crow" more often than he has done in regard to matters as to which he claims that his conduct has been fair and above board. He came here first as an uncompromising opponent of the Minister of Trade and Customs, but, although no one has belaboured the Minister more, we now find him cheek by jowl with him.

Sir WILLIAM LYNE.—He was always my friend.

Mr. JOSEPH COOK.—After he had put the right honorable member for East Sydney out of office in New South Wales, he was so much the Minister's friend as practically to carry on his Government for him for about twelve months. The Minister could not move hand or foot then without consulting the honorable and learned member. But, on entering the Federal arena, he made a sudden turn.

The CHAIRMAN.—How does the honorable member intend to connect his remarks with the clause?

Mr. JOSEPH COOK.—I am replying to the criticisms of the honorable and learned member for West Sydney of the attitude of those on this side of the Chamber, and am showing that he has not consistently followed the leader of the Opposition. For many years he has had the cordial support of the Free-trade Party of New South Wales, but I shall be surprised if he gets it at the next election.

Sir WILLIAM LYNE.—He will be elected.

Mr. JOSEPH COOK.—I do not say that he will not, but he must rely on support different from that which he has received in the past. It may be that he intends to appeal to a different section of the electors. At any rate, he will not get the free-trade support which has helped him to success in years gone by. He taunts the members of the Opposition with the fact that they do not all hold the same fiscal opinion; but it does not lie in his mouth to rebuke others for political inconsistency, in view of his present position. He is now assisting the Minister to prevent the landing of goods on the wharfs of West Sydney.

Mr. WILKS.—Notwithstanding that he is secretary to the Wharf Labourers Union.

Mr. JOSEPH COOK.—Yes. Although he professes to be a free-trader, and a follower of the fiscal leadership of the right honorable member for East Sydney, he is now assisting the Minister of Trade and Customs to strike a blow at the trade whereby the men who returned him to this Parliament make their living. He tells us that he is now where he has always been.

Mr. HUGHES.—I have never been on any but the one side.

Mr. JOSEPH COOK.—Speaking in a political sense, the honorable and learned member has never remained five minutes in

the one place. Even at the present moment he is sitting at the table with the Minister.

Mr. HUGHES.—If it had not been for the honorable member and some others, I should be sitting at the table instead of the Minister.

Mr. JOSEPH COOK.—The honorable and learned member has unconsciously blurted out the whole truth. Now that he cannot climb over the backs of the people to places of authority, power, privilege, and pay, he turns round upon those with whom he was accustomed to foregather politically, and taunts them with the company which they are keeping. It would be better for him to pull the beam out of his own eye.

Mr. HUGHES.—My political opinions are the same that I have always held; but the honorable member has practically bartered his soul for a mess of pottage.

Mr. JOSEPH COOK.—Has the honorable and learned member supported every fiscal provision in the Bill, because his fiscal opinions have never changed?

Mr. HUGHES.—Did not the honorable member vote for the Bill?

Mr. JOSEPH COOK.—No. We have made some drastic amendments in it, and there have been some divisions on which the honorable and learned member has always been paired for the Government and against the Opposition. For instance, we took a vote the other day—

The CHAIRMAN.—The honorable member cannot deal with what has already been done by the Committee. He must confine himself to the question before the Chair.

Mr. HUGHES.—I did not know how I was paired; but the honorable member knows the circumstances under which I was absent.

Mr. JOSEPH COOK.—The honorable and learned member, and a number of others, do not know what they are doing in respect to the Bill. All they know is that they are supporting the Minister. When they learn the meaning of some of the votes which they have given, as interpreted in plain English, they will feel that they would be very glad if they could repudiate them. One of the most striking things in connexion with the consideration of this measure is that those who taunt honorable members on this side of the Chamber with holding their fiscal views loosely, have voted *en bloc* for provisions entirely at vari-

ance with the fiscal faith which they possess. That has happened time and again. But many honorable members have taken so little interest in the discussion of the details of the measure that they have not known what they were voting for.

Mr. HUGHES.—How could that happen, since the honorable member's explanations have been so ample?

Mr. JOSEPH COOK.—I do not think that any one would be the wiser for having heard what the honorable and learned member has said just now on the Bill. I advise him, instead of making jeering allusions to his fiscal leader, to pay attention to his present position.

Mr. HUGHES.—I shall not look to the honorable member to carry me over any stiles. I shall get over them myself.

Mr. JOSEPH COOK.—I know that. No one will climb the stiles more dexterously than the honorable and learned member will do. He will climb as dexterously over a protectionist at the next election as he did over a free-trader at the last election. I think it is only fair to ask the Minister to justify these very drastic proposals. He has been urged to fulfil the promise made to the honorable and learned member for Corinella, and repeated during the debate, that when we reached this stage of the Bill he would give us information which would justify his action. Now, however, the Minister sits back in his chair, and stubbornly refuses to enlighten us. It may be that he has no special information. If not, I venture to say that he ought to have. So far as we are able to judge, only ordinary competition has been proceeding in the harvester business, which the Minister seems to have taken specially under his charge. The bulk of the harvester-importing business is concentrated in the hands of the Massey-Harris Company, which is a British company. We have heard a great deal of talk from the Prime Minister, and those who support him, as to the importance of preferential trade, and the necessity of straining and twisting our Tariff with a view to concentrating the trade of the Empire in the hands of the citizens of the Empire. Now, however, we find that the British trade in harvesters is being directly challenged.

Sir WILLIAM LYNE.—British trade?

Mr. JOSEPH COOK.—Yes, the Massey-Harris Company is a British company.

Sir WILLIAM LYNE.—It is a Canadian company, supported by the United States.

Mr. JOSEPH COOK.—It is a British company operating within the charmed circle of the Empire, for the prosperity of which Ministers profess so much concern. Now, however, they have submitted legislation which is specially aimed at the Canadian exporters of harvesters to Australia. If the Massey-Harris Company are engaged in destructive competition, such as has been so clearly explained by the honorable member for Perth—if they have designs on our harvester trade, and have expressed a determination to drive the local makers out of the market with a view to afterwards increasing the prices of their machines, the Minister might appeal to us to do something. But when he is challenged, he merely quotes figures which show that the trade has been carried on in the ordinary course. He told us that £85,000 worth of harvesters had been imported into Australia during the last year.

Mr. GLYNN.—And that £30,000 had been exported.

Mr. JOSEPH COOK.—It has been proved, in the course of evidence given before the Tariff Commission, that the Australian harvester manufacturers are turning out harvesters to the value of £250,000 per annum. It does not appear that they are being subjected to destructive competition. On the contrary, it is clear that our harvester manufacturers are holding their own against Canadian and American competitors. At any rate, I hope with all my heart that they are. Neither I nor those associated with me on this side of the Chamber, desire to see the local factories closed up through the operation of foreign competition. Nothing would please us better than to see the Australian harvester manufacturers flourishing, and able to compete with all their outside rivals, so long as they can do so upon terms fair to the public. There is nothing in the present conditions, so far as they have been disclosed to us, to indicate that anything beyond ordinary trading operations are being carried on. If there is anything to which objection can be taken, why are we not furnished with information either by the Minister or by the members of the Tariff Commission, who have been engaged in inquiring into the matter? The Tariff Commission have visited the various States during the recess, and have, in the most self-sacrificing manner, devoted themselves to the acquirement of information

bearing upon the very problem that is now engaging our attention. And yet, on the very eve of the presentation of their report to this House, this Bill is being rushed through. There is no justification for asking us to pass legislation of this kind until we have been placed in possession of the information obtained by the Tariff Commission. The Minister is in duty bound to enlighten us as to the basis upon which he rests his present proposal. Unless he does so, we are entitled to ask that this legislation shall be held over. We shall be justified in adopting every means that may be open to us to insure that the fullest light shall be thrown upon the matter. We ought to be exceedingly chary about passing legislation which in its very essence involves prohibitive protection. The way in which to meet unfair competition from abroad is not by passing a Bill which would prevent the possibility of trade, but by so regulating the importations by means of a Tariff—that is, if we believe in regulating such matters—as to insure that the competition shall not be destructive to our industries. That would be a much more straightforward way of meeting the difficulty; but there is one very important reason why that method should not be adopted by the Government. The Prime Minister, more than any other man in this Chamber, is pledged not to raise the Tariff question during the currency of this Parliament. He knows very well that if he brought down a new Tariff schedule without reference to the reports of the Tariff Commission, he would break a pledge which he solemnly gave from all the public platforms upon which he appeared at the last election. Knowing that that pledge is in existence, and feeling that he is bound to observe it—at least, outwardly—he is endeavouring by means of the present Bill to sneak behind his promise. This part of the measure in its present form means prohibitive protection, and therefore we are entitled to demand that the fullest justification shall be offered for its introduction. I again ask the Minister of Trade and Customs to fulfil the promise he made during the second-reading debate. It is his duty to the House and to the country to inform us as to the basis upon which his drastic proposals rest. It is due also—and I hope that I may say this without laying myself open to any unfair accusations—to the persons against whom we are raising these barriers that

Mr. Joseph Cook.

they should know the basis upon which we are proceeding. It is only fair that the Massey-Harris Company, as a British firm, should know why we are proposing to ruthlessly shut them out of our markets. If the company are adopting unfair means with a view to bringing about the downfall of our harvester manufacturers, we should be informed as to how they are acting. Apparently, however, those who have the fullest information on the subject are not permitted to impart it to us. Having regard to all the circumstances surrounding the case, I do not know that it would be contravening any political ethic for the Chairman of the Tariff Commission to give us the information which he has upon this subject. Indeed, it seems to me that he might incur a grave responsibility if he withheld information which would prevent us from making a grave mistake. That is a matter, of course, which he will have to decide for himself, and I am sure that he and the other members of the Commission will be actuated by considerations of duty, and nothing else. I desire to pay the Commission the compliment of saying that they have performed exceedingly hard work, and the information which they have gathered at so much cost to themselves should prove very valuable to us. It is disgraceful that we should be debarred from taking advantage of that information, when we are being asked to legislate with regard to matters which the Commission have made the subject of special inquiry. I suppose that it is of no use to make any further appeal to the Minister of Trade and Customs. He has made up his mind as to the course he will pursue, and he has a very effective way of meeting a situation of this kind, namely, to sit still and say nothing. He is sure of those who sit behind him. They ask no questions. Free-trader and protectionist behind him are alike dumb, and therefore the Minister thinks that it is best to sit tight until honorable members of the Opposition have exhausted themselves. This legislation will be placed on the statute-book, and, too late, we may find that those who know most about the subject have declared that it is not necessary so far as some of these enterprises are concerned. After seeing in the daily press from time to time reports of the evidence given before the Tariff Commission, I shall be very much surprised if the members of that Commission report that there is need

for this special legislative interference for the protection of the manufacture of harvesters in Australia.

Mr. McWILLIAMS.—It deals with all agricultural machinery, and not with harvesters alone.

Mr. JOSEPH COOK.—I am aware of that, but the Minister specially singled out harvesters in his speech. The honorable gentleman made that large general statement, which we have heard from platforms a thousand times already, as to the many million pounds' worth of metals and machinery that are being imported to this country. The strange thing about the honorable gentleman's statements is that the figures he gave in his second-reading speech indicated a decline in the importations of metals and machinery, and not an increase. They showed a decline of over £1,000,000.

Sir WILLIAM LYNE.—They showed an increase for last year over the year before.

Mr. JOSEPH COOK.—I should think that under ordinary conditions of trade there was room for some improvement. Three years ago these importations amounted in value to £8,000,000, and then they went down to £6,000,000. So that if they did increase to nearly £7,000,000 last year, that indicated nothing in the nature of dumping, but simply showed a recovery of the ordinary volume of business.

Sir WILLIAM LYNE.—Does the honorable member not think that dumping has been going on for some years?

Mr. JOSEPH COOK.—I should be very glad indeed to know what the Minister regards as dumping. If the honorable gentleman regards ordinary importations as dumping, if all goods coming here from other countries are to be considered dumped, let us know it. I should like to remind the honorable gentleman that if we are going to shut out all importations, we shall be compelled to find some way of disposing of exports from Australia. He should understand that Australia dumps more than she imports by a very great deal. If we are to prevent even the most innocent and legitimate description of dumping from abroad, what is to become of our dumping in other parts of the world? All this talk about dumping in connexion with the great Empire to which we belong reveals only more and more clearly the fact that Great Britain and the

countries forming the Empire as a whole, are the greatest dumpers in the world to-day. Great Britain dumps upon every shore; her life's blood depends upon her ability to do so; and in Australia our life's blood depends upon our ability to send our exports to the various countries of the world. I, therefore, say that the Minister should tell us whether he regards ordinary importations of metals and machinery as dumping. If so, the honorable gentleman had better give this part of the Bill another name. Anti-competition or anti-trade would more correctly describe what it deals with than does "dumping." Dumping, as we know, is importation carried on specially for destructive purposes, or, as was said by the last speaker, importation for the purpose of the disposal of surplus stocks, arising very often from commercial bankruptcy and from over-production—the importation of something which must be got rid of even below the usual price. If that is what the Minister of Trade and Customs means by dumping, I admit that if he can make out his case for this Bill, we are here to consider it fully with him. But if, as we may judge from the honorable gentleman's interjections, he regards all importations to Australia in the nature of dumping, we had better find out before we pass a Bill of so far-reaching a character as this, what we are going to do about our own dumping abroad. Two can play at this kind of game, and if we decline point blank to engage in the ordinary competitive enterprises of the world, the world may be disposed to pay us back in our own coin. I ask the Minister, before we proceed with the detailed consideration of these clauses, to tell us what he regards as dumping. That he should do so has become the more necessary, by reason of his interjections and his general attitude in dealing with the Bill. If the honorable gentleman confines his definition of dumping to sinister operations which would have the effect of sweeping our Australian industries out of existence if allowed free play, let him make out a case to show that that kind of thing is going on, and then honorable members, with all the knowledge of the Department available to them—and I strongly suggest with the knowledge which can be given by the Tariff Commission also available—may proceed to a full, fair, and free discussion of this matter unhampered by ignorance, as they are to-day, and may be able to give it their best attention in the

interest of legitimate competition and of legitimate trade and commerce.

Mr. WILKS (Dalley) [4.37].—For the last two and a-half hours we have been witnesses of a very sad spectacle. The Minister of Trade and Customs has been appealed to by various members of the Committee for information in regard to legislation of a most drastic character. The honorable gentleman has been coaxed, cajoled, and cuffed, but we cannot get any answer from him. He absolutely refuses to give the Committee the information which it is necessary that we should have before voting upon so important a measure as that before us. The Attorney-General has tried his hand with the honorable gentleman, and so has his friend the honorable member for Melbourne Ports, known locally as "66 Bourke-street." But even the combination of the Attorney-General and "66 Bourke-street" could not wring from the Minister what evidence of dumping he has. A fortnight ago I moved an amendment on the motion for the second reading of the Bill, to secure delay in the passing of the measure until we could get some information from the Tariff Commission on the subject of metals and machinery. There is the same reason for delay to-day, for the honorable member for Perth, who is a member of the Commission appointed to inquire into this matter, has said that the Commission have never yet received a single bit of evidence in regard to dumping in Australia.

Mr. FOWLER.—No; I did not say that.

Mr. WILKS.—I understood the honorable member to say that the Tariff Commission has received no evidence to warrant the statement that dumping is taking place in Australia.

Mr. FOWLER.—I made no such sweeping statement as that.

Mr. WILKS. — The honorable member now uses the word "sweeping." I understood from his remarks that the Tariff Commission had received no evidence of this character, because he said that he looked to the Minister of Trade and Customs to present it.

Mr. FOWLER.—I say I would like to hear what information the Minister has in connexion with the matter.

Mr. WILKS.—The honorable member bears out what I have said. He would like to know what information the Minister has, and that pre-supposes that the honor-

able member, who has for about two and a-half years been working as a member of the Commission, has not yet received such information.

Sir JOHN QUICK.—No, not for so long.

Mr. WILKS.—The honorable member for Perth has condemned himself out of his own mouth, because if, as a member of the Tariff Commission, he had obtained this information, it would not be necessary for him to ask it from the Minister. The honorable and learned member for Corinella had the Minister on the gridiron like a live eel over a slow fire, but while the honorable gentleman twisted and squirmed, he made no answer. The Minister knows that he has behind him an army of blind supporters. The honorable member for Parramatta has just said that they are dumb, and I say that they are also blind. The honorable and learned member for Corinella appealed to the Minister, if he had any information, to give it to the Committee, and if the honorable gentleman had done so, two hours of the time of the Committee would have been saved. Either the information which the honorable gentleman has is of so weak a character that he is afraid to mention it, or else, as the honorable member for Parramatta has suggested, he considers all importations in the nature of dumping. If that be so, it but proves the argument used from this side that this measure is a surreptitious attempt to get round the Tariff, and to give the Minister the fullest prohibitory powers he could possibly obtain. No wonder the Minister said eighteen months ago that he would not attempt the Tariff issue in this House. The honorable gentleman knew what he had before him. If honorable members are sent here by their constituents to give effect to protectionist principles, they have a perfect right to do so, but they should not do it by means of such a measure as this. If the Minister considers that all imports come under the category of dumping, and wishes to prevent that kind of dumping, he is, in this Bill, smuggling through Parliament a policy of prohibitive protection, and is asking us to be as blind as are his supporters. The honorable gentleman will not give the information for which he has been asked, and he is not now even in an irritated mood. The honorable and learned member for Corinella warned the honorable gentleman up more than I ever saw him warned up before, but he appears to have recovered himself, and I must admit that I should

like to see him annoyed, because that is our only chance of getting any information from him. The honorable gentleman does blurt out information when he is annoyed, but when he is in the passive mood in which we now find him like a pig upon a block of ice, we can get nothing from him but a grunt. The honorable member for Parramatta appealed to the honorable gentleman in a most pathetic manner for information which the Minister will not give. I think that it should be made known to the public that the Minister in charge of this measure desires to impose legislation upon a certain class in the community, and will not give any justification for it. How can honorable members go before their constituents and say that they passed legislation of this character because it would be useful to the community, when the Minister in charge of it will not supply any information which will justify its introduction?

Sir WILLIAM LYNE.—How can I, when honorable members opposite are all talking?

Mr. WILKS.—At first the honorable gentleman said that he would not give the information, then he said that he had given it, and now he asks how he can give it when we are all talking.

Sir WILLIAM LYNE.—I cannot speak while the honorable member is speaking.

Mr. WILKS.—Then I shall pause to give the Minister an opportunity now. The Minister apparently regards me as he would one of his blind supporters, and desires me to sit down, so that he may take no further notice of the matter.

Mr. McCAY.—But the honorable member can speak again.

Mr. WILKS.—It is fortunate that we may speak as often as we like in Committee. How can the Minister expect honorable members, either on this or on the other side, to vote for a measure of this character unless he presents the proper data? If the Minister possesses the information which is asked for, what is his reason for keeping it back? Is it because, as the honorable member for Parramatta has suggested, the Minister is such an ardent protectionist that he would go to any length in order to get the fullest measure of protection? Is it because the Minister, who, from his experience, is so acute, knows that on an open vote, within these walls or in the country, he could not impose the fiscal prohibition he desires, and is now seeking to attain his end by means

of this Bill? The Minister has often appealed to American legislation and American precedents, and I ask him whether this, to use an Americanism, is not another way of "whipping the devil around a stump"? As the representative of an electorate which is much concerned in shipping, I ask whether I can be expected to accept the interpretation of dumping presented by the Minister. We cannot expect one-sided trade. Ships will not come here empty, simply in order to take away our produce. However, I do not wish to enter into the larger economic question, nor to discuss the propriety or otherwise of dumping. That can be done on the next clause. I never knew a Minister, either in State or Commonwealth, who received such a cajoling, coaxing, and cuffing as the Minister has been subjected to in the course of this discussion. Appeals have been made to him from all sides, including the Attorney-General, and the leader of the organization, which has its head-quarters at 66 Bourke-street. Under pressure of public opinion, I think the Minister will be compelled to supply the necessary information as to which firms, if any, have carried on dumping to the detriment of Australian industries. The Tariff Commission has been sitting for two years, and if those interested in Australian industries have suffered from dumping of a detrimental character, they would have been only too pleased to lay their case before that Commission. Judging from the newspaper reports of the evidence taken by the Royal Commission in regard to metals and machinery, no dumping of a detrimental character has been disclosed. Doubtless such a prominent and keen protectionist organ as the *Melbourne Age* would have been delighted to blazon forth any such evidence in the largest type. It is of no use making general statements; and I am with those honorable members who, while perfectly willing to vote for a free-trade or revenue Tariff, are just as concerned as are honorable members opposite in extending natural assistance to Australian industries if it be shown that the present Tariff is being used as a lever for the destruction of those industries. But we are not to be deluded into sanctioning the imposition of higher duties under cover of this clause of the Bill. If such a course were taken the investigations of the Tariff Commission would represent so much waste of money, and, in view of the power sought to be given to the Minister of Trade and

Customs, there would be no need for a Tariff to be passed by this Chamber. I do not know whether the Minister's own sweet reasonableness will come to our rescue, or whether he is going to prove so adamant as to require some political dynamite in the form of a vote of censure, to extract the information. I am really beginning to think that a vote of censure is the only way by which we can attain our desire. If a vote of censure were tabled, I guarantee that even members of the Labour Party would be compelled to vote for it, in view of the treatment which has been meted out to honorable members and the public. If it became known in the constituencies that members of the Labour Party were, to use another Americanism which the Minister will understand, "going blind"—were voting in the dark, simply on the *ipse dixit* of the Minister—their supporters outside would be far from satisfied. That, however, is the concern of the Labour Party. I am responsible to my constituents, and I refuse to vote for any portion of this clause in the absence of the necessary information. The Minister's silence lends support to the idea that he is simply using speculative arguments; and I hope the honorable gentleman will at once tell us all he knows about this matter, and thus save, perhaps, a long debate.

Sir JOHN QUICK (Bendigo) [4.57].—I cannot help feeling sorry that this part of the Bill has been brought forward in anticipation of the receipt of the reports of the Tariff Commission. I say that partly because, to some extent, I feel embarrassed, and almost tongue-tied, in dealing with certain questions which are now really under the deliberation of the Royal Commission; and I cannot, in justice to my colleagues on the Commission, freely, fully, and exhaustively discuss here questions which they have yet to settle. There are certain members of the Royal Commission who are not Members of Parliament, and who cannot make use of the opportunity, which is presented to us, to ventilate their opinions. It would, I think, be a mistake, in propriety as well as in etiquette, to now fully and exhaustively discuss those questions on the floor of this Chamber. At the same time, I shall endeavour, as cautiously as I can without trenching on the prerogative of the Royal Commission, to make

a few remarks in reference to this question. Honorable members are distinctly at a disadvantage in dealing with this part of the Bill in the absence, not only of the report of the Commission, but of the evidence given before the Commission. Some honorable members have suggested that the dumping question is not a normal part of the Tariff question—not a normal part of the Tariff conditions. So far as my recollection serves me, there has been a considerable amount of testimony tendered to the Commission concerning proceedings under the name of "dumping"; but there seems to be considerable difference of opinion as to the exact meaning of the word. Some of the witnesses used the word "dumping" in a comfortable, self-assured manner—much in the same way as the old lady used the "blessed word Mesopotamia." But so far as I can understand from reliable evidence given before the Commission, the true definition of "dumping" is the export of surplus stock from one country into another, and the sale of that surplus stock in the importing country at prices lower than the prices of that stock in the home country or country of origin.

Mr. GLYNN.—That is how dumping is referred to in all the consular reports.

Sir JOHN QUICK.—"Dumping" does not mean the sale of those goods at a loss, or at a price below the cost of production, but it certainly does mean the sale of goods in the market of the importing country at prices lower than the sale prices within the country of origin. I should like to draw honorable members' attention to paragraph 17 of the Tariff Commission Report No. 2, which has already been presented to Parliament, in reference to spirits and the distillation of spirits. In that paragraph honorable members will find a preliminary reference to this question of dumping, and a definition in reference to the transport or export of surplus stocks of spirits. The paragraph is as follows:—

When the stocks of the Scotch distilleries are heavy they ship their surplus out to Australia. They do not care at what price they sell, because it is only their surplus. Once fixed charges are paid, anything over the cost of labour and material is profit. When a distiller in a large way of business has manufactured a certain number of gallons, and has earned sufficient to cover his fixed charges, any further quantity made is not charged with these expenses, and can therefore be sold at a much cheaper rate. He is at a great advantage compared with a distillery

in a small way, and only running to half its capacity. The foregoing is an illustration of dumping given by Mr. Joshua.—(Q.1260).

It will be observed that it is suggested, not that "dumping" means selling below actual cost of production, but that it means selling at a lower rate than that obtaining in the exporting country. The Bill, as it is drawn, does not meet a case of that kind; consequently, although this part of the Bill is headed "Dumping," it is really not a Bill or part of a Bill dealing with dumping. There is very little evidence, indeed, so far as I can remember, before the Commission of the sale within Australia of goods, wares, or merchandise produced in countries beyond the seas, at prices actually below the cost of production, but there is evidence of goods sold in Australia at prices below the market prices in the country of origin.

Mr. DUGALD THOMSON.—Just as our exports are sold at lower prices.

Mr. FOWLER.—Dumping does not necessarily mean selling without profit.

Sir JOHN QUICK.—That is so. As the extract shows, having provided for the fixed charges in the country of origin, and after exacting, sometimes, a higher price in that country, producers there are enabled to sell at a lower price in the country to which they send their goods; and, as a matter of fact, the Bill, as I read it, does not meet that case. I may say that, although we have taken evidence under this heading in all parts of Australia, and have examined upwards of 600 witnesses, not one witness suggested a remedy of the kind that is now embodied in the Bill. There were numbers of witnesses who came forward and referred to this exporting and selling of surplus stock, and who suggested and demanded higher duties; but none asked for a prohibition provision such as that embodied in the Bill. So far as the evidence goes under these various headings, the Tariff Commission will deal fully, carefully, and exhaustively with every item of alleged export of surplus stock, and its sale at lower prices in the country of consumption than in the country of export.

Mr. ISAACS.—Will the honorable and learned member allow me? If that export and sale is unfair in the circumstances, it is included in the Bill. In clause 14, paragraph b, the widest power is given to the Judge to say what is unfair in the circumstances, and, if the export and sale is unfair, it is included in the Bill.

Sir JOHN QUICK.—But it is not included in sub-clauses a to f.

Mr. ISAACS.—Not specifically.

Sir JOHN QUICK.—Evidently the draftsman did not understand the true definition of "dumping," as applied to trade and commerce. I admit that there may be a number of cases which require consideration; but they do not disclose "dumping" within the true commercial definition of the term, as given in the evidence before the Tariff Commission. Of course, selling at a price below the cost of production could not last long, and could not form part of a continuous commercial system; only in rare and extraordinary instances, such as bargain sales, would goods be sent here and sold at prices below the cost of production. As I say, such sales could not continue long, and would not require a Bill of this kind to deal with them. I am a firm believer that the Tariff is the best remedy—that the Tariff itself is, and ought to be, the true means and method of grappling with and settling all these grievances. I believe in straight-out, honest protection—substantial protection in all instances where a good case has been made out—but I do not desire to be a party to passing a general clause such as this for the redress of Tariff grievances. It is only fair that we should tell the whole world that we are going in for high duties in certain cases, because there may be a certain kind of competition with which it is desired to deal. That would be fairer to outside countries having trade and commerce with Australia; and it would be more effective also. We want to put on stiff, straight, and if necessary, high protective duties, rather than to resort to or rely upon a measure such as this. I have my own suspicions about the origin of this Bill. I believe it really originated from a desire to supersede the Tariff Commission. When the Tariff Commission was engaged in its investigations in Western Australia and South Australia, there was an agitation in the course of which it was alleged that the Commission was not working hard enough, or fast enough, or was not sending in reports; and this Bill was launched as a sort of counter-blast to the Commission, under the apprehension that it would not report in sufficient time for its reports to be dealt with by this Parliament. But I can see now that this Bill, if persisted in, will tend to delay rather than to hasten the

redress of Tariff grievances. We have had evidence in connexion with many branches of the metals and machinery industry, which I must decline at the present stage to discuss. But this Bill will not meet those grievances, nor will it remove those complaints. It will not satisfy those who have made them. It will be a disappointment and a disillusionment to a number of people who are now waiting for remedial legislation. This Bill rather stands in the way of the redress of grievances, than tends to give relief. I want this House and this Government to facilitate the early consideration of the Tariff Commission's reports; and I say that there is enough work to go on with now. There is almost a month's work in the reports furnished by the Commission, dealing with spirits distillation and wine. Why should not Parliament have an opportunity to discuss them? Although only a part of the report of the Commission has been presented, and it is a partial and incomplete report, there is sufficient material for the House to deal with. Why does not the Government at once propose that the House shall go into Committee of Ways and Means for the purpose of redressing grievances in an industry which is crying for relief, and in which upwards of a quarter of a million of capital has been invested? Why does not the Government deal with that, and propose some practical measure of relief, instead of wasting time over this anti-Trust Bill?

Sir WILLIAM LYNE (Hume—Minister of Trade and Customs) [5.4].—I am sorry that so much heat has been imported into this debate, and chiefly at the instigation of the honorable member for Corinella, who has misrepresented me very grossly. He stated that I had promised to do certain things, and that I had not done them. I did not make any such promise as the honorable member has said.

Mr. McCAY.—I read from *Hansard*.

Sir WILLIAM LYNE.—I have *Hansard* before me. There is more than one copy of *Hansard*, fortunately.

Mr. McCAY.—Do they differ?

Sir WILLIAM LYNE.—No; except the honorable member alters his speeches; and then they may. When the honorable member was speaking on the 20th June, according to *Hansard*, page 469, he said, referring to myself—

I would ask him whether there are any cases in his cognisance in which dumping has taken place to the substantial detriment of Australian industries.

I said—

I think so, most certainly.

Then the honorable member asked me whether I knew of any special cases. After my interjection, he said—

That is information which honorable members are entitled to have in their possession. If the evil be pressing we are justified in taking more strenuous steps, and incurring more risks to cope with it than it would be the case if it were not more urgent and pressing. Would the Minister be good enough to tell the House in what industries his experience leads him to suppose that dumping of the kind to which he objects is taking place?

To that I said—

I shall reply to that question at the close of the debate.

I did not tell the honorable member that I was going to give specific cases. Then the honorable member went on—

I presume that he is cognisant of cases, though he did not tell us what they were when he moved the second reading of the Bill.

I replied that I had not done so because, if I had, I should not have anything to say subsequently. Further on the honorable member said—

It was his duty in introducing the Bill to give us all the information in his possession. I am just as earnest as he is in my desire to support a fair protectionist policy in this country, and I resent being placed at a disadvantage by his refusal to give information which it is his duty to supply.

I replied—

I am very glad to hear that the honorable member is a protectionist.

I did not know it before.

Mr. McCAY.—That is incorrect. The honorable gentleman did know it before.

Sir WILLIAM LYNE.—I did not know it, and I do not think it.

Mr. McCAY.—Was the Minister in the House during the Tariff debates in 1901-2?

Sir WILLIAM LYNE.—The honorable member must allow me to have my own opinion. I have quoted what I said. There was no definite promise to give specific instances. That is what the honorable member tried to pin me down to. It was very unfair of him; but I am not going to be bullied or dictated to by him. When I replied on the whole debate, the honorable member, I suppose, was at home in bed. The hour was late. When I spoke there were some interjections, as the report shows:—

Mr. KING O'MALLEY.—Take a vote!

Mr. PAGE.—The Minister is "stone-walling" his own Bill."

I said that I had not had time to deal generally—I did not say specifically—with this question on the second reading, in consequence of the debate being so inordinately extended. I never made any definite promise, such as has been imputed to me. That is my reply to the remark of the honorable member for Corinella in that regard. I also referred to the matter on going into Committee. I said, as to the dumping provisions:—

I do not desire, and I do not intend at present, to say anything with reference to that part of the measure, but shall leave any explanation I may have to make at a later stage.

I had intended to make a statement at that time, but it was objected to on the ground that it would create a general discussion.

Mr. SKENE.—Let us have the explanation now.

Sir WILLIAM LYNE.—I am going to justify myself. I am not going to have words put into my mouth, or intentions put into my mind, that were never there. If the honorable member for Corinella had been doing his duty here he would have known that in my second-reading speech I gave specific cases. For instance, on page 254 of *Hansard*, he will find a list—I do not wish to go into the matter a second time—showing goods that are sent here from the United States of America, and are purchased in that country at an average of less than the price of the same articles in the American market, the price obtained here being sometimes one-third and sometimes one-half of that obtained there.

Mr. LONSDALE.—Where did the honorable member get the information from?

Sir WILLIAM LYNE.—The honorable member will find the information in the report of the inspector, instructed by the late Mr. Seddon.

Mr. LIDDELL. — Were the goods purchased in Australia?

Sir WILLIAM LYNE. — They are purchased in the United States for sale in Australia—purchased at a price which, in some cases, was only half of the selling price of the same articles in the United States. I will not go through the list again; I have referred to the page in *Hansard* so that honorable members can look it up. I gave that information so that honorable members might see where dumping was taking place.

Mr. LONSDALE.—How much dumping?

Sir WILLIAM LYNE.—A great deal. How is it possible for me to state exactly

and precisely the amount of dumping? I am going to refer to another thing that is not exactly dumping, but is a system carried on by British firms at the present time with which we ought to deal. I have not traced it elsewhere, although I think it is also taking place on the part of German firms. We are getting a large quantity of Japanese manufactures here which are supposed to be of English and German make.

Mr. LONSDALE.—What are they?

Sir WILLIAM LYNE.—I have here a sample which I will exhibit directly. I am not going to mention the names of the firms, but I have information showing that there is a firm in Great Britain that is having goods made in Japan and sent out here at a very low price.

Mr. BAMFORD.—Quite likely.

Sir WILLIAM LYNE.—It is so. The price of the goods is below what they can be produced for in this country.

Mr. CAMERON.—Are not the manufacturers compelled to mark the goods "Made in Japan"?

Sir WILLIAM LYNE. — Not if they are made for sale in Australia; they are compelled so to mark them if for sale in Great Britain.

Mr. ROBINSON.—Will not the Commerce Act cover such cases?

Sir WILLIAM LYNE.—I hope that it will. I am going to make the Commerce Act deal with them, if I can. I am giving honorable members facts which have come before me in connexion with this question. I also wish to reply to the statements of the honorable member for Bendigo. I have asked the Comptroller-General of Customs to give me any information he could as to this dumping practice. The following is his memorandum to me upon the subject:—

It is a well-established practice, especially with American manufacturers, to send goods to Australia in order to sell at a price which is much less than that charged in the Home markets. This is especially the case in regard to manufacturers of certain classes of machinery (apart from harvesters), and in consequence of this practice it was that the Canadian Parliament passed its anti-dumping legislation. Sewing machines, type-writing machines, and oil, are cases where it is alleged on good authority this practice exists. It is evidence and well known that this practice largely prevails, and unless prevented it is sure to continue, inasmuch as it is important to manufacturers to get rid of their surplus stock without depreciating local sales; nails also, and many similar classes of goods.

The representatives of two firms came to me in Sydney the other day, and told me

that dumping was going on to such an extent in connexion with nails as to crush out the local industry. They have given me particulars showing that it is possible to get nails delivered in Sydney cheaper than we can get the imported metal from which to make them. This practice is crushing out nail-making in Australia.

Mr. HENRY WILLIS. — What kind of nails?

Sir WILLIAM LYNE.—I cannot tell the honorable member exactly what kind of nails. I have a memorandum embodying the information given to me by these firms, though I cannot find it amongst my papers just now. At the present time steel from which these nails are made is being sold in Sydney at a higher price than that for which the manufactured nails are being sent from Germany.

Mr. HENRY WILLIS.—Where do they make them in Germany?

Sir WILLIAM LYNE.—I know where they are made in Australia. Has not the honorable member seen the correspondence that has taken place, and the evidence given in connexion with, I think, Holdsworth, Macpherson and Company? It is all very well for the honorable member to laugh. Really he must be oblivious of everything that is going on. He knows nothing about the Tariff business or anything else, so that it is of no use for him to talk on the subject. If we were to manufacture all the nails that we require, it will be seen from the list of imports that it would give employment to a very large number of men. But that cannot be done while the dumping process is continued.

Mr. CAMERON.—And the consumer benefits all the time.

Sir WILLIAM LYNE.—I do not expect to convince a free-trader, and I never try to do so.

Mr. LONSDALE.—The Minister does not believe that dumping injures us.

Sir WILLIAM LYNE.—I believe that it injures us seriously. If honorable members will go into Pitt-street or Castle-reagh-street, in Sydney, particularly Pitt-street, they will find a large number of indent agents who have been sent here from all parts of the world—from Germany, to a large extent, and from the United States. There are not many sent from Great Britain I believe. These men hire a boy to look after one room which is used as an office. They bring out the goods at the cheap rates which I

have quoted, and sometimes at one-half of the price charged in the country of production, and thereby seriously injure those firms which have provided all the machinery required to manufacture the articles in Australia. The indent agents dump the goods on to wharfs in Sydney Harbor, and are themselves of no good to this country as consumers, having only one room and an office boy. Whilst they are dumping down these imports they are seriously injuring legitimate traders and manufacturers to a large extent, and also reducing the rates of wages. Many things besides those I have mentioned are dumped here. If my honorable friends desire to do any good for our people I am quite satisfied that this Bill will have a very wholesome effect.

Mr. CAMERON.—The protectionists will do the same thing as soon as they have overtaken the demand; they will export to England.

Sir WILLIAM LYNE.—As regards any attempt to reduce wages or to sweat in Australia, we can legislate when the emergency arises, but we cannot deal with the question of wages in the United States or elsewhere.

Mr. FOWLER.—If I remember correctly imported nails are sold, almost invariably, at a higher price than locally-manufactured nails.

Mr. JOHNSON.—Because they are better.

Sir WILLIAM LYNE.—Imported nails better than ours!

Mr. FOWLER.—I do not say that Australian nails are better, but I assert that almost invariably they are sold at a higher price.

Sir WILLIAM LYNE.—It is no use to try to wriggle over this question, because I am giving my honorable friend a home thrust which he cannot answer. If honorable members on the other side care to keep an open mind they will find that this is only one direction in which dumping is going on. I look upon dumping in somewhat a different light from that stated the other night by the honorable and learned member for Corinella, and to-night by the honorable and learned member for Bendigo. It does not matter under what set of circumstances we get a cheap article here which is going to injure our factories, and reduce the rate of wages, and which is selling at a price lower than that at which it should be sold. If it is proved that it is going to be injurious to

our people, that is dumping. Whether the importers get a profit upon the price which they paid or not, to my mind, it does not matter, as far as the injury is concerned. If we are to have Australia for the Australians to a greater extent than we have now, we must see that they are protected against the system which I have been describing.

Mr. JOHNSON.—Are we not to consider the consumer at all?

Sir WILLIAM LYNE.—The honorable member is always talking about the consumer, but the latter gets cheaper articles here when we have local competition.

Mr. JOHNSON.—Then, where is the necessity for this legislation?

Sir WILLIAM LYNE.—That I have proved times without number. If we can keep the production to our own people and reserve the home market to ourselves, the tendency is not to increase the cost of the article, but to decrease the cost, if it is a legitimate industry.

Mr. JOHNSON.—The honorable member has been complaining of the cheapness.

Sir WILLIAM LYNE.—I am complaining of the nastiness.

Mr. JOHNSON.—Cheapness is what the honorable member has complained of before.

Sir WILLIAM LYNE.—The honorable and learned member for Bendigo has said that the Bill will not meet the case, but I must differ from him. If he will look at paragraph *c* of clause 14, he will see a provision to meet cases of the kind—

If the imported goods are being sold in Australia at a price which is less than gives the person importing or selling them a fair profit upon their fair foreign market value, or their cost of production, together with all charges after shipment from the place whence the goods are exported directly to Australia (including Customs duty).

As regards the honorable and learned member's statement that we should wait for the report of the Tariff Commission, there again, I must differ from him. I feel sure that the honorable and learned member and his compeers on that Commission have done an ardent and useful work, and will give us a good deal of information, but it must not be forgotten by him and others that perhaps the Department of Trade and Customs has as much information as they can get.

Mr. KELLY.—Why does not the Minister give that information to the Committee?

Sir WILLIAM LYNE.—I was against the appointment of the Tariff Commission, because I maintain that in the Department of Trade and Customs there is all the information which is required for dealing with the Tariff. The information which has come from the Tariff Commission, will, no doubt, be very useful, but it does not follow that we should wait until it is received before we decide what to do in a case of this kind. As regards the statement that the reports of the Tariff Commission to hand should be dealt with, I have only to say that they will be dealt with as soon as possible. I do not look upon the reports relating to wines and spirits as being very urgent. I wish to see reports upon questions of far more importance, having regard to the general good of the public, than the question of the Customs and Excise duties on wines and spirits. The report on the latter subjects is important, but it is not as important as the reports of the Commission on other subjects are likely to be. There are other forms of dumping which I need not enumerate. In the Department, we know well that goods are dumped here every year, not to the extent of a few pounds' worth, but to the extent of tens of thousands of pounds' worth. For instance, there is as much dumping in connexion with wearing apparel as there is in connexion with anything else. I refer to the sales of surplus stock, as well as possibly to the sales of insolvent stock.

Mr. JOHNSON.—And who gets the benefit of the cheapness of the article? The public!

Sir WILLIAM LYNE.—If foreign manufacturers are allowed to send in their goods and destroy our factories, and we are ever going to attempt to class ourselves as an increasing and improving country—

Mr. JOHNSON.—It is always the Victorian manufacturer whom the honorable member is thinking about.

Sir WILLIAM LYNE.—Once the competition here is destroyed we shall not have cheap articles coming in, because it is not inherent in human nature for a man to pay a low price for a catch line in some other part of the world and bring it here without making the most of the transaction. If the competing industries here be destroyed the consumer will have to pay a great deal more than he can possibly have to pay at the present time. Small as the present protection is, it keeps our industries

going to a certain point, and that saves the public from the higher prices which would otherwise be charged by those who import cheaply bought stuff.

Mr. JOHNSON.—A wonderful argument!

Sir WILLIAM LYNE.—At any rate, it is a very true argument. I refer to wearing apparel, clothes, tweeds, and various other articles which have been dumped in exactly the same way in Canada.

Mr. McWILLIAMS.—Has the Minister any information as to agricultural implements having been dumped here?

Sir WILLIAM LYNE.—Yes, I have full information. I quoted just now from what the Comptroller-General wrote to me this afternoon in reference to the manufactured implements of the United States of America and Canada. There has been a lot of dumping in connexion with the harvester. A combination came here, and the difference between the dumping price and the ordinary selling price was brought up to such an extraordinary amount that until I dealt with the question the farmers had paid a third more than they should have paid for their harvester.

Mr. LONSDALE.—The Minister's friends are in that combine.

Sir WILLIAM LYNE.—The honorable member is not fair in using the expression "my friends," because I scarcely know the gentlemen.

Mr. LONSDALE.—The Minister brought in this Bill for them.

Sir WILLIAM LYNE.—I hope that the honorable member will try to be a little fair. Whether it concerns Mr. McKay, Mr. Morrow, or any one else, an internal combination should be dealt with in just the same way as an external combination. Of course, I want every man to be my friend. I would prefer not to have an enemy. At the same time, this Bill is not brought in for my friends, in the sense in which the honorable member suggested.

Mr. McWILLIAMS.—Outside the harvester, are agricultural implements sold under their value in any of the States?

Sir WILLIAM LYNE.—Yes, a good many—for instance, ploughs, harrows, and other farming implements sometimes. At one time there was a fight on here about reapers, binders, and strippers. After the first combination was burst up, wherever there was a manufacturer here there was an attempt by the International Harvester Company more than any one else to destroy him. An honorable member has re-

ferred to the firm of Massey-Harris. I wish that the firm would only do what they threatened to do. They thought they would appal me by telling me that if I went on as I was doing they would do a dreadful thing. I asked what it was that they intended to do, and when they said, "We shall start our factory here," I replied, "I wish to God you would do it at once, and if I could possibly make you do it I would." I do not care whether it is the firm of Massey-Harris or any one else. If they would carry on a factory in a legitimate way, and pay the local scale of wages, I would hail with delight the firm of Massey-Harris, especially as they come from Canada. There is no direct attempt here to injure any one connected with any portion of the British Empire, but we have to see that Australia—a vast and rich continent, possessing so much raw material—shall not remain in the slough in which she is, but shall prosper much more rapidly than she has done in production and manufacture. That is the main object of the Bill. I want honorable members, who imagine that dreadful things are going to happen, to understand that the public weal has always to be considered before anything can take place under the Bill. It cannot be hurled at me that I am going to decide these important questions when, under the proposed amendment, they are to be decided by a Justice of the High Court. I think that that is the best method that we can adopt. The only other way would be to appoint a Board, either for each case, or permanently. But it would be very hard to constitute a permanent Board capable of dealing satisfactorily with the great variety of subjects which might come before it, while, if a Board were appointed to deal with each particular case as it arose, there would be no end to the appointments. I ask honorable members to consider the difficulty of obtaining a tribunal which could be depended upon to give satisfaction. The only method which we have been able to devise is the appointment of a Judge to do the work. He will have full power to decide all the cases referred to him; but if it is represented that he has misunderstood a case, or has imposed penalties which are too heavy, the Executive of the day may vary his judgment, or reduce his award, although they may not raise it.

Mr. LIDDELL.—The Executive is to upset the Judge's award?

Sir WILLIAM LYNE.—The action taken by the Executive would be somewhat analogous to the exercise of the prerogative of mercy.

Mr. ROBINSON.—Why does not the Minister leave these matters to Parliament instead of taking them into his own hands?

Mr. ISAACS.—If that arrangement were made, there would be no means of modifying a decision when Parliament was not sitting.

Sir WILLIAM LYNE.—It would be impossible, moreover, to bring every matter before Parliament. Honorable members must attempt to deal practically with questions of this kind. A lot of matters come before me with which I should like Parliament to deal; but it is practically impossible to ask for the opinion of honorable members upon them, and I do not shirk the responsibility of dealing with them myself.

Mr. KELLY.—How the Minister's supporters trust him! At this moment there is not one of them present.

Sir WILLIAM LYNE.—It is pleasing to me that they do trust me. In an article giving the Canadian practice, the following passage occurs:—

Mr. Fielding, the Minister of Finance, in his recently delivered Budget speech, stated that it was intended to prevent the sale of commodities imported into Canada at a lower price than at which they are sold in the country of production. The "dumping clause," as it is termed, inserted into the Tariff Amendment Bill, provides that whenever it shall be made to appear to the satisfaction of the Canadian Customs authorities that the export price, or the actual selling price to the importer in Canada, of any imported dutiable article of a class or kind made or produced there, is less than the fair market value thereof, such article shall, in addition to the duty otherwise established, be subject to a special duty equal to the difference between the fair market value and the selling price.

What has taken place in the past in Canada in regard to dumping is taking place here now. I hold in my hand a sample of an article which is now being sent to Sydney, marked as though manufactured in Berlin, whereas it is really made in Japan.

Mr. JOHNSON.—What is it?

Sir WILLIAM LYNE.—A high-class soap. It is being imported, I believe, through a German company. No doubt the public think that it is made in Germany, whereas it is really made by the cheap labour of Japan, which thus comes into competition with those engaged in the soap industry in Australia. A British

firm, too, is entering into a large contract for the supply of certain articles which are being made in Japan, but sent here as if made in Great Britain.

Mr. McCAY.—The Bill does not touch these cases.

Sir WILLIAM LYNE.—It will do so. If goods are sold here at a price injurious to the wage-earners of this country, and to an industry in which they are employed, at a price lower than that at which they can be produced in the country from which they are supposed to have been sent, their importation may be prohibited. I do not think that I have omitted to touch upon any point upon which honorable members desire information. I refer them again to the list of imports which I gave the other day, affecting £7,140,000 worth of machinery.

Mr. KELLY. — Do those figures cover dumped goods entirely?

Sir WILLIAM LYNE. — No. I ask the honorable member to be fair, and to refer to the quotation in my second-reading speech as to the prices of a great many of the goods which come from the United States.

Mr. KELLY. — The honorable member spoke of goods imported into New Zealand, not of goods imported into Australia.

Sir WILLIAM LYNE.—It is the same thing. A large proportion of the goods coming from the United States and from Canada in the way I have mentioned are dumped. This is not fair to our own manufacturers.

Mr. McWILLIAMS.—Are we to understand that all the agricultural implements sent here from Canada and the United States are dumped?

Sir WILLIAM LYNE.—The bulk of the imports in the iron trade sent here from Canada and from the United States are, in my interpretation of the term, dumped, because they are sold at special rates, which are lower than the rates charged in their own country.

Mr. KELLY.—But not lower than the cost of production there.

Sir WILLIAM LYNE.—That is open to question. I am satisfied that the harvesters sent here at one time were valued at less than the cost of their production. The effect of their being so sent here would be to destroy the local industry. Then, again, particulars and designs of the latest and best Australian ploughs and other machinery invented

here are being taken abroad and copied. The harvester is an Australian invention. Manufacturers in Canada and the United States have obtained full information in regard to ploughs and harrows manufactured in Australia, and have copied the designs, and are now sending back implements of their own to seriously interfere with the local business.

Mr. ROBINSON.—Disc ploughs are being manufactured here under an American patent.

Sir WILLIAM LYNE.—I have here the report of a secret trial, at which the inventors of these implements were not allowed to be present.

Mr. ROBINSON.—Disc ploughs are manufactured here under a licence from the American patentee. A case affecting the manufacture was tried in the Supreme Court, and the evidence of witnesses was taken on oath.

Sir WILLIAM LYNE.—I am not talking about disc ploughs, but of other agricultural implements. The time has come when we must deal with this matter in the interest of our people as a whole. I do not think that the provisions of the Bill will often be put into force, because its effect will be to bring about, to a large extent, the cessation of wholesale dumping such as we have suffered from in the past.

Mr. DUGALD THOMSON (North Sydney) [5.40].—If the Minister had given at 3 o'clock this afternoon the answer which he gave at 5.30, he would have saved the time of the Committee. Some of his statements are extraordinary. He says that dumping is the selling abroad of goods at prices less than those for which they are sold in the country of origin, although the sale may give a very good profit to the producer. Does he see how far that definition takes him? Does he not know that the operations of our own people come within it?

Sir WILLIAM LYNE.—I do not think so.

Mr. DUGALD THOMSON.—Why do people send goods abroad?

Sir WILLIAM LYNE.—Does the honorable member mean to say that the harvester people sell more cheaply abroad than they sell here?

Mr. DUGALD THOMSON.—The honorable member's mind is full of harvesters. The only object of the Bill would appear to be to deal with the importation of harvesters.

Mr. FOWLER.—Harvesters are not put on the markets of the United States and of Canada, because they are not used there.

Sir WILLIAM LYNE.—They are used in the United States.

Mr. DUGALD THOMSON.—Australian manufacturers of harvesters put their machines on the South American markets. But would any manufacturer send his goods abroad if he could sell them in his own country at an equal price and lower selling charges? Manufacturers only export, and sell at lower prices abroad, what they cannot sell in their own market. For instance, those in the butter industry keep prices up here by exporting surplus, but take what they can get for the surplus exported to Great Britain. Those engaged in the fruit industry do the same thing, while the same remark applies to our meat industry. Are not better prices obtained for meat in Australia than are obtained abroad? But, as there is a surplus, it must be sent to other markets, to fetch what it will bring. If this practice is a criminal one, the suppression of which by legislation is justifiable, are we going to deal with our exports as well as with our imports?

Mr. RONALD.—We can leave that to the others.

Mr. DUGALD THOMSON.—Yes, that is left to others in the belief—probably with the assurance—that Great Britain will not turn against her own dependencies. If it is dishonest to follow the practice that I have described, and it is intended to penalize the importers who adopt it, we should also penalize our exporters who resort to the same means of getting rid of their surplus. It is quite a different matter when goods are deliberately sold below cost in the markets to which they are exported in order to destroy a local industry.

Mr. RONALD.—That is always the object.

Mr. DUGALD THOMSON.—That is not the object, if the goods are sold at a fair profit. The United States manufacturers take full advantage of the Tariff to obtain a high price for their goods within their own territory, and they are not guilty of dumping if they sell their surplus at a fair profit in outside markets in competition with the rest of the world. I am speaking of the Minister's argument—that dumping consists of selling goods in the market to which they are exported for

less than the home prices. I say that it is nothing of the kind. I agree with the honorable and learned member for Bendigo, that from a protectionist stand-point, the alleged evil should be dealt with by means of the Tariff. If goods can be sold in competition with our own, and it is desirable, from the protectionist's stand-point, that we should preserve our industries, they should be protected by means of an extra duty. That is the protectionist's theory, but the Minister, who is a protectionist, says that we should prevent the introduction of goods for sale at a lower price than that demanded for them in the country of production. He says that that is dumping, and must be stopped, even though the goods may be sold at a profit. If such action is criminal on the part of foreign manufacturers, it is equally reprehensible on the part of our own exporters.

Sir WILLIAM LYNE.—But they do not do it.

Mr. DUGALD THOMSON.—They do. They sell their goods in the foreign market at whatever prices they can get.

Sir WILLIAM LYNE.—They sell at the highest prices.

Mr. DUGALD THOMSON.—In the same way that goods which are imported here are sold at the highest price that competition will permit of. If that is a crime, I say that our exporters are equally guilty, if they, after meeting the demand of the local consumers at certain fixed prices send their surplus abroad, and accept whatever they can get for it. Our butter exporters systematically fix the price for the local market, and, in order to insure that they shall obtain it, export their surplus to foreign markets, and accept what they can get for it.

Sir WILLIAM LYNE.—I am not sure that the fixing of local prices does not in a great many instances injure the public.

Mr. DUGALD THOMSON.—If the Minister says that that is dishonest or wrong—

Sir WILLIAM LYNE.—I did not say that it was dishonest, but that it might injuriously affect the public.

Mr. DUGALD THOMSON.—The action taken by our exporters must also injuriously affect some people in the countries to which they export their produce. The Minister's definition of dumping is a new one to me. The difference of opinion between us may be due to my ignorance of

commercial affairs, and to the Minister's intimate acquaintance with such matters. I was always under the impression that what is commercially known as "dumping," assumed one of two forms, which have been described by the honorable member for Perth. In one case, goods are shipped and continuously sold in a foreign market, irrespective of cost, perhaps because the manufacturers have such a surplus that they must have an outlet for it, and sell below cost, or because it may pay them better to sell a portion of their goods at a loss, or at a very low price, rather than to reduce their output. Another kind of dumping consists of the shipment of goods to a foreign market and selling them at prices reduced to the extent necessary to destroy local competition. I have never yet heard of any manufacturer or producer asking that imported goods which were being sold at a profit should be excluded. In such a case, a higher duty is generally asked for to reduce or suppress the competition. I do not intend at the present stage to discuss this matter at length. A little later on I shall move an amendment which will have some bearing upon the subject. I would urge, however, that if the Minister means what he says, and intends to regard as dumped goods those which are being sold in Australia at a lower price than is demanded in the country of production, he should apply similar rules to our exporters. The Minister stated that that was his idea of dumping, and that this Bill was intended to deal with it. If it be his intention to prevent the importation of such goods, he will not only inflict great injury upon the consumers of Australia, but will make the measure one which, instead of applying to only a few cases, will be brought into operation every day of the year.

Sir WILLIAM LYNE.—Not at all.

Mr. DUGALD THOMSON.—I am adopting the Minister's own interpretation of dumping, namely, the sale of goods in a foreign market at less than the price obtained in the market of production.

Sir WILLIAM LYNE.—That must be carried on to an extent that is injurious to a large section of the people.

Mr. DUGALD THOMSON.—The Bill will be injurious to a large section of the people.

Sir WILLIAM LYNE.—The honorable member always draws the long-bow in these cases.

Mr. DUGALD THOMSON.—The honorable member's bow is so elastic that it is placed beyond all comparison with other people's. If the Minister's interpretation of dumping be adopted, he will have to deal with an enormous number of cases. A large quantity of our imports are sold at prices lower than the rates which prevail in the markets of production, and still most of them are sold at a profit.

Sir WILLIAM LYNE.—We are merely proposing to do what has been done in Canada, but in a different way.

Mr. DUGALD THOMSON.—Nothing of the kind. Canada does not exclude goods. The Canadian Act merely provides that if goods are sold below their current value, the duty shall be so regulated as to equalize matters up to a certain limit.

Sir WILLIAM LYNE.—Is not that exactly what I have stated, so far as selling prices were concerned?

Mr. DUGALD THOMSON.—No. The Minister, instead of dealing with this matter by means of the Tariff, as we might expect of him as a protectionist, and as has been done in Canada, says, "You must give me power to refer this to a Judge, who will be compelled, in certain cases such as I have instanced, to put the Act into force, and enable me to exclude goods."

Sir WILLIAM LYNE.—It is not the Minister, but the Comptroller-General, who will take action.

Mr. DUGALD THOMSON. — The Comptroller-General will act through the Minister, or the Minister through the Comptroller-General. The Minister may originate the inquiry, or the Comptroller-General may do it. The result will be the same. The Minister has not added to the clearness of his proposals by his contradictory explanations. At first he told us that the provisions of the Bill would be operative only in a few cases; but, if his definition of dumping be adopted, it will apply to a very large number of cases, which will crop up day after day.

Mr. ROBINSON (Wannon) [5.57]. — The honorable member for North Sydney has referred to the Canadian legislation with regard to dumping, and I think that one aspect of that law should be specially mentioned, because it meets the case of local manufacturers who endeavour to dump their goods upon the markets of other countries. There is a clause in the Canadian Customs Act which provides that, if it be proved to the satisfaction of the Court that

any manufacturers are selling goods for export at lower prices than are being charged to local consumers, the Tariff duty which they enjoy shall be reduced. Thus the same treatment is meted out to the local manufacturer as is accorded to those who dump goods upon the Canadian market. The Minister, in his anxiety to pass legislation differing from any adopted in other parts of the world, carefully omitted a provision such as I have described. He has taken no steps whatever to prevent the dumping of Australian products upon other markets to the detriment of the Australian people. The Minister has given us an indication of what he regards as evidence. He read a quotation from the *Age* with reference to a deputation on the subject of disc ploughs.

Sir WILLIAM LYNE.—And other ploughs as well.

Mr. ROBINSON.—I wish to state, for the information of the Minister, that the manufacturer of disc ploughs in Australia referred to in that statement is, and has been, manufacturing disc ploughs under licence from the American patentee. This is the man who tells the Minister of Trade and Customs that the Americans are manufacturing goods according to his patent, whereas, as a matter of fact, he is manufacturing disc ploughs under an American patent.

Sir WILLIAM LYNE. — I suppose that Messrs. T. Robinson and Company know their own business better than does the honorable and learned member.

Mr. ROBINSON.—If the Minister will look up the *Argus Law Reports*, he will find that during the last three months the case of *Peacock v. Osborne* has been tried, and that the very question to which I refer has been dealt with. Messrs. Robinson and Company, who were manufacturing disc ploughs under the American patent, complained that other persons were manufacturing similar goods, in disregard of the patent rights. They called upon the American patentee to protect his patent, and it was then found that the patent was faulty. They have been manufacturing these implements for years.

Sir WILLIAM LYNE.—Then the honorable and learned member accuses the man who made this statement to me of telling an untruth.

Mr. ROBINSON.—I accuse the honorable gentleman of trying to mislead the Committee by describing a bogus statement

as evidence. It is no more evidence than would be any statement made from the top of the Princess Theatre, or anywhere else. I have referred the honorable gentleman to a case which came before the Courts in which sworn evidence was given, which proved beyond a doubt that T. Robinson and Company and other Victorian manufacturers have been manufacturing disc ploughs under a licence from an American patentee. The Minister could find out the truth of that for himself if, instead of repeating here statements submitted to him by interested parties, he would walk into the Parliamentary Library and look at the documents. But even if his statement was perfectly true, the copying of these implements would be no crime. Is the Minister aware that his pets, Mr. H. V. McKay and others, acted as agents for an American firm of manufacturers of what are called seed drills for a number of years, and that when they had a full knowledge of the construction of those drills they copied them, and so closely that they even copied private marks on the implements, as to the meaning of which they were entirely ignorant? These are the people for whom the Minister is now endeavouring to legislate. I say they were perfectly entitled to do this, so long as there is no patent right involved. The world would never make any progress if this kind of thing were not done. If a farmer sees that another is following more up-to-date and better methods than he is, is he not entitled to copy them? I say that so long as these innovations are not protected by patents every manufacturer, whether Australian or American, is entitled to copy them. I hold that Mr. McKay was quite entitled to copy the American seed drill, but I also hold that, having done so, it does not lie in his mouth, or in the mouth of the Minister, to complain that implements manufactured by Mr. McKay are copied by American manufacturers. The honorable gentleman's statement shows that, while he is willing that evidence of the adoption of an ordinary trade practice shall be a bar to American manufacturers, he regards indulgence in the same trade usage by Australian manufacturers as something which should not be challenged in any way. The members of the Committee and the country are misled by the honorable gentleman's statement that American manufacturers are guilty of piracy because they have adopted a universal trade practice, which is followed with very great care by

the manufacturers of implements here. The Minister told us that typewriters and sewing machines are dumped here, and that this legislation is necessary to prevent that. Surely the honorable gentleman must be aware that typewriters and sewing machines are not manufactured here.

Sir WILLIAM LYNE.—That is the statement of the Comptroller-General; it is not mine.

Mr. ROBINSON.—We are to have extra duties imposed upon these articles because they are dumped here, when we know that not a single manufacturer in Australia makes them. Manufacturers here use them, but the honorable gentleman would prevent that.

Sir WILLIAM LYNE.—The honorable and learned member's statement is absolutely incorrect.

Mr. ROBINSON. — The honorable gentleman in his statement to the Committee read out a list of dumped articles, including typewriters and sewing machines, and it is of no use for him to try to wriggle out of it.

Mr. HUME COOK.—Does the honorable and learned member mean to say that sewing machines are not made here?

Mr. ROBINSON.—I say that sewing machines are not made here, and the honorable member for Bourke knows it.

Mr. HUME COOK.—They are made here.

Mr. ROBINSON.—The honorable member is referring to the fact that a firm in North Melbourne are selling the A.N.A. sewing machines, but if he will refer to the secretary of the branch in that district, he will find out that those machines are made in Germany, and are only put together here. That is no more manufacture than the writing of a letter by the honorable member can be said to be manufacture.

Mr. HUME COOK.—I am not referring to them at all.

Sir WILLIAM LYNE.—Beale and Company, of Sydney, are making them wholesale.

Mr. HUME COOK.—Thousands of them.

Mr. ROBINSON.—They are putting together imported parts, which is not genuine manufacture. But even that is not done in the case of typewriters. The Minister is going to shut out typewriters, and merchants, traders, and manufacturers must give up the use of these machines and go back to the pen. Why does not the honorable gentleman propose to go further, and compel people to use bits of stick

instead of pens? The majority of the instances which the Minister has given in relation to dumping are entirely inappropriate, but they show what a terrible engine this legislation would be in his hands. A man has only to meet the honorable gentlemen in Sydney, and say "These goods are being dumped into this market. The Japanese are making soap; the Germans are making nails and sending them here," and the honorable gentleman at once assumes that the one-sided statement he hears must be true. Without ever inquiring whether any statement can be made on the other side, he brings forward the statement he hears for the purpose of inducing us to legislate in this extreme way.

Sir WILLIAM LYNE.—I have twisted the honorable and learned gentleman's tail, any way.

Mr. ROBINSON. — The honorable gentleman is a beauty. I know of no other word for him. He is a curio. What he does in a deliberative assembly I am sure I do not know. He has never had any judicial powers, and that is amply shown by his administration of his Department.

Sir WILLIAM LYNE.—Be nasty.

Mr. ROBINSON. — The honorable gentleman is not worth while being nasty over. He makes a promise, and breaks it as soon as he possibly can. No man breaks a promise more quickly. In connexion with this very harvester question, the honorable gentleman made a promise in this House that when the harvester cases came on he would let the people interested prove if they could that the cost at which they were importing these articles was the true cost. Did the honorable gentleman break out that promise when the pleadings were delivered? Of course not. I did not believe that he would. He broke the promise as soon as ever he got a chance. He promised this House that he would give information with respect to dumping, and he did not give that information until it was torn from him. This goes to show that it would be a huge mistake to intrust the administration of legislation of this kind to a Minister, I will not say of the character, but of the calibre, of the honorable gentleman. If the Committee desire to retain its self-respect and the governing powers intrusted to it by the people, it will see that there must be some check imposed in this matter, and that no decision of the Comptroller-General, the Minister, the Justice, or any one else, shall become effective until it has been indorsed by Parliament.

Sir WILLIAM LYNE.—The honorable and learned member should not be angry.

Mr. ROBINSON.—I am not angry with the honorable gentleman. I feel just that sort of contempt for him that I should, and I can assure him that that is good measure. Almost every statement he has made as to dumping has been shown to be something that is not relevant to the issue or to be based upon the statements of interested persons. That is shown in the case of the disc ploughs to which the honorable gentleman referred. A statement has only to be put into his hands accusing some importer of unfairness and the Minister swallows it without any attempt to find out whether it is true. The honorable gentleman had only to walk twenty yards inside this building to find out that the statement made to him about disc ploughs is absolutely incorrect and without foundation, but he preferred to make the statement to the Committee, rather than to take the trouble to verify the alleged information which he has given us. That being so, I hope that honorable members will scrutinize every statement that the honorable gentleman makes, and every clause he submits.

Mr. KELLY (Wentworth) [6.10].—We were first of all informed that the Minister would give us some information with respect to dumping. In the next place, the honorable gentleman refused obdurately to give the information he had promised to give, and then, when he found that honorable members were determined to get it, he endeavoured to carry out his promise, and I am afraid that he lamentably failed. I am glad that even at the eleventh hour the honorable gentleman should have recognised the political, if not the moral, necessity of keeping his word. Otherwise, the country would have found yet another basic difference between the parties who in this House have been responsible for recent legislation, and for that which is now before us. One of those parties is known as the party that signs a pledge, and if the Minister of Trade and Customs had not spoken this afternoon, the other party would probably have been known as the party that never keeps one. I think that the honorable gentleman was acting in his own interests when, at the eleventh hour, he decided to keep his word in this regard.

The CHAIRMAN.—Is the honorable member discussing the question of dumping?

Mr. KELLY.—I am afraid that I was discussing the Minister's refusal to give an explanation as to what dumping is carried on. Part III. of the Bill will be improved by the amendments which have been proposed in it, and even with those amendments, it will place the Minister largely in the position which Parliament occupied in the past, because it will remove the consideration of fiscal alterations from this the people's House, to the Ministerial sanctum or the Board-rooms of those great companies where these matters, if this Bill be passed, can be adjusted over cigars and in congenial surroundings. When we consider the enormous discretionary powers proposed under this Bill to be conferred on the Minister, we shall find that it vests in him personally powers which formerly belonged exclusively to Parliament.

Mr. ISAACS.—Of course the honorable member is aware that the Minister, under this Bill, has not anything like the power which is given to the Minister of Trade and Customs in Canada, who has power to put on a special Tariff.

Mr. KELLY.—The Minister of Trade and Customs in Canada has to act in accordance with an expression of the will of Parliament.

Sir WILLIAM LYNE.—What the Attorney-General says is that he has the power to increase duties.

Mr. ISAACS.—The Minister in Canada can come to certain findings on the facts, and then the special Customs Tariff goes on. The honorable member may read the section.

Mr. KELLY.—I am rather at a disadvantage in quoting from the text of the Act, but I remember that in the *précis* of legislation of this kind with which the Attorney-General provided honorable members, it is stated that the method adopted in Canada is for the Comptroller-General of Customs to decide when dumping has taken place. Whenever it appears to the satisfaction of the Minister of Customs that the export price, or the actual selling price to the importer in Canada of any imported dutiable articles, of a class or kind made or produced there, is less than the fair market value as determined according to the basis of value for duty, the article, in addition to the duty otherwise established, is subject to a special duty "equal to the difference between such fair market value and such

selling price." In Canada it has to be proved to the satisfaction of the Minister of Trade and Customs that dumping is going on.

Mr. ISAACS.—The Minister decides finally.

Mr. KELLY.—The Minister first of all decides that dumping is going on, and then, as I understand it, the article is subject to the special duty I have just mentioned.

Mr. ISAACS.—I only interpose to say that the Minister has all the power in Canada.

Mr. KELLY.—The Minister in Canada has power to do what Parliament tells him, it having been decided that it is necessary to do something. According to the Bill before us, however, it is the Minister who has to decide what has to be done.

Sir WILLIAM LYNE.—In Canada, the Minister has only to refer to some one else.

Mr. KELLY.—I can assure the Minister that I am not stretching the interpretation in the least. Here it has to be proved to the satisfaction of the Minister that dumping is going on, and then the Minister, who is the same as the Comptroller-General, has to refer to somebody else. Also, under the Bill the Minister has the large discretionary power of waiving any judgment given by the local Court in the direction of mercy.

Sir WILLIAM LYNE.—That must go before Parliament.

Mr. ISAACS.—The honorable member for Wentworth does not complain of that?

Mr. KELLY.—That is not the point. I am now alluding to the large discretionary power vested in the Minister, and pointing out the expediency for the fullest explanation of the necessity.

Mr. ISAACS.—The Minister has no power to stop goods coming in. He may mitigate the penalty if circumstances arise, just as may be done in an ordinary case. If an offence be committed and sentence passed, the Executive may mitigate that sentence, but not increase it; the power of the Crown is preserved.

Sir WILLIAM LYNE.—That is done through the Executive, and by proclamation.

Mr. KELLY.—The Cabinet, I think, is usually guided by the Minister.

Sir WILLIAM LYNE.—Very often that is so.

Mr. ISAACS.—Still there is a check.

Mr. KELLY.—No doubt there is a check. I think these clauses as amended are better than they were before, but still I do not think any free-trader could possibly go half-way to meet such proposals.

Mr. ISAACS.—If the principle is once established, I think the provision fairly meets all practical difficulty.

Mr. KELLY.—I do not think that the Minister succeeded in showing the Committee any instances of dumping to the detriment of Australian industries.

Sir WILLIAM LYNE.—I think the evidence as to the iron industry in America is most conclusive.

Mr. KELLY.—The Minister gave a number of facts and figures in regard to New Zealand.

Sir WILLIAM LYNE.—What I spoke of was a report obtained by an officer, appointed by the late Mr. Seddon, as to the effect of exports from America to New Zealand.

Mr. KELLY.—That is what I am saying. The Minister gave us information as to the export trade from America to New Zealand, but I do not think he can ask us to accept off-hand an assumption that the same sort of importation is going on into Australia.

Sir WILLIAM LYNE.—It is, absolutely.

Mr. KELLY.—I have no doubt that the Minister believes that to be true.

Sir WILLIAM LYNE.—I know it.

Mr. KELLY.—But the Committee is in the position of giving a verdict, and honorable members ought to be shown evidence of dumping in Australia before they are asked to vote. The Minister gives a new definition to "dumping"—a definition I never heard before. I notice that, in the discussions in England and elsewhere, "dumping" is usually held to be the selling of imported goods at less than the cost of production in the country of origin. The Minister has, however, extended that definition, and holds that, not only shall imported goods not be sold at less than the cost of production, but that goods shall not be landed if they are to be sold here at a price less than that which retailers in the country of importation are able to obtain. That is a most extraordinary and far-reaching proposal. If that is what the Minister means by "dumping," his proposal, if carried, would affect probably nine-tenths of the import trade of the country.

Sir WILLIAM LYNE. — Such importing would have to be done in a very large way before it was touched.

Mr. KELLY. — The Minister will see that, in many cases, where goods are bought after the season in other parts of the world, and sent to Australia in time for the season here, those goods are procured at less than the actual ordinary selling price.

Mr. ISAACS.—Obtained from whom?

Mr. KELLY.—Obtained in open market.

Mr. ISAACS.—There are some suggested amendments limiting the purchases to purchases from the manufacturer, or some person representing the manufacturer.

Mr. KELLY. — But the Minister of Trade and Customs goes further than that.

Sir WILLIAM LYNE.—No.

Mr. KELLY.—If the Minister has made a mistake, I shall say nothing further on the point.

Sir WILLIAM LYNE.—There is no mistake.

Mr. KELLY.—The Minister this afternoon told us that his proposal was to prevent such goods being landed here.

Sir WILLIAM LYNE.—I was giving my idea of dumping.

Mr. KELLY.—Then the Minister does not propose to penalize what is dumping according to his idea, but only what is set forth as dumping in the Bill?

Sir WILLIAM LYNE.—In the Bill.

Mr. KELLY. — If the Minister is not going to put his idea into force—

Mr. ISAACS.—Yes, the Minister is; but he does not propose to go back on the proposed amendments.

Sir WILLIAM LYNE.—Not at all; the amendments were drawn up at my instance.

Mr. KELLY.—In that case, I accept the assurance that the Bill will not touch goods purchased under the conditions which I have just indicated.

Mr. ISAACS.—The honorable member had better wait until we reach the clause dealing with that matter.

Mr. KELLY.—I think the Minister is justified in making that suggestion. There is one other point with which I should like to deal. This Bill affects our primary producers almost as much as it affects the importing classes. That the Bill affects the importing classes is easily shown by the widespread fear of the results of the legislation. But the primary producers are vitally interested in getting their goods to market as cheaply as possible, and those markets are at the other end of the world. Those producers, so far as oversea freights are concerned, are already at a serious geographical disad-

vantage as compared with competing countries; and they will be at a still further disadvantage if this Bill be enforced as it might be enforced. We should then have fewer goods coming to Australia, and, of course, fewer ships in which the productions of Australia could be taken to other parts of the world. That would mean less competition in freights outward, and, of course, higher charges for the great producing interests. This Bill therefore vitally affects the producing interests on which the prosperity of the country is based, and absolutely depends. The producing interests are almost as vitally affected by the Bill as are indent merchants, and the great importing community of Australia. The Minister, in the course of his speech this afternoon, held up the indent merchants to execration.

Sir WILLIAM LYNE.—I do not believe in indent merchants.

Mr. KELLY.—The Minister does not believe in anybody who does not support him, but indent merchants have a right to live. I dare say that the Minister, if he only knew it, is indebted to the importing community to a very considerable extent. The honorable gentleman is at this moment writing with a pencil which, I dare say, was not made in the British Dominions, and he is wearing clothes which probably came from abroad.

Sir WILLIAM LYNE.—My clothes were made at Marrickville, in Sydnev.

Mr. KELLY.—All the honorable gentleman's clothes?

Sir WILLIAM LYNE.—Nearly all of them.

Mr. KELLY.—The honorable gentleman hedges even on the sacred question of Australian tweeds.

Sir WILLIAM LYNE.—I get all the clothes possible made in Australia.

Mr. KELLY.—Even on the sacred question of tweeds, the Minister cannot be wholly consistent. The honorable gentleman, I dare say, also wears imported spectacles, which enable him to take an intelligent interest in the Bill.

Mr. ISAACS.—The Minister of Trade and Customs looks at all these matters through Australian spectacles.

Mr. KELLY.—Is it seriously suggested that the honorable gentleman's spectacles do not come from abroad? However, as I was saying, the importing community have as much right to live as has the Minister himself. Although importers are not supporters of the honorable gentle-

man, he ought to recognise their right to exist, just as they are prepared to recognise his right.

Mr. DUGALD THOMSON.—Some of the importations are necessary for Australian manufactures.

Mr. KELLY.—That is so. If piece goods, for instance, were excluded, what would become of the slop-clothing industry in Australia? Parliament has already declared its will in this connexion, by deciding to admit piece goods at a lower rate of duty than that imposed on made-up articles. That, I think, shows that the clothing industry is worth protecting.

Sir WILLIAM LYNE.—That is done under the Tariff.

Mr. KELLY.—But the Minister may depart from the Tariff under the powers bestowed by the Bill. A Judge, acting arbitrarily, without consulting the people, might go quite contrary to the intentions as expressed in the Tariff Act; and that is a serious position. The Judge may decide that piece goods are being bought at less than the ordinary sale price in the country of origin, and, in certain contingencies, exclude them from Australia. Under the Bill it would be possible to go right behind the intentions of the people of Australia as expressed in the Tariff Act.

Mr. DUGALD THOMSON.—The Bill might affect the supply of raw material.

Mr. KELLY.—The Bill might prove absolutely subversive of the principles of the Tariff Act, which, in almost every section, declares that the object of the Australian people is to get raw material as cheaply as possible.

Sitting suspended from 6.30 to 7.30 p.m.

Mr. KELLY.—The Minister this afternoon told us that we had not necessarily to regard the Tariff Commission as the depository of all wisdom. He added that the Customs Department was, in his opinion, quite as capable of judging these matters as the Commission. If the Customs Department has this knowledge, why cannot the Minister give it to the Committee? Surely it is very unfair that a Minister, who is in such a fortunate position as to know everything connected with dumping, should keep that information entirely to himself. Either from inability or from unwillingness, he has withheld the information from honorable members. I have no hesitation

in saying that up to the present time, we have not had the slightest proof on which we can hang such proposals as those before us. The Minister has recognised the necessity to endeavour to give some cause for this drastic change from all our previous methods—a change which puts at the sole discretion of the Minister what hitherto has rested entirely within the prerogative of this Parliament. The honorable gentleman has introduced to this Chamber a modest cake of soap! He has not asked the Committee to wash its hands of its privileges, but he has produced this small tablet of soap as the only inducement he has to offer as to why the Committee should follow his lead!

Mr. JOHNSON (Lang) [7.32].—I am sure that the Committee will feel gratified that the Minister of Trade and Customs has at length yielded to the pressure of criticism, and vouchsafed to give us some information, meagre as it is, on the subject of dumping. We are indebted to the honorable member for Bendigo for having practically forced the hands of the Minister in this connexion; and I hope that he will give serious heed to the advice tendered by that honorable member to delaying the further consideration of the Bill, especially in view of his authoritative opinion that to proceed with it before the reports of the Tariff Commission are laid upon the table for the information of honorable members, of Ministers, and of the country, may have the effect of prejudicing any future action that might be thought necessary to be taken in the direction of correcting Tariff anomalies. I think I am right in saying that the honorable member for Bendigo has expressed views which are shared by a considerable section of honorable members. All along, the contention has been made, especially in relation to the particular portion of the measure now under consideration, that it ought not to have been submitted to Parliament at the present juncture, and certainly ought not to have been pushed forward with such undue haste and such a disregard of the immense interests, financial, commercial, industrial, and general, of the trading, manufacturing, and industrial communities, as well as of the public generally of the Commonwealth of Australia. The Minister appears to me to display an inward fear that the reports of the Tariff Commission will be unfavorable to legislation of this kind. He seems to have had either some premoni-

tion, or perhaps some private information, that the reports of the Tariff Commission, if based upon the evidence which has so far been published in the newspapers, will not only show that legislation of this kind is not desirable, but that there is no necessity whatever for it. It seems a reasonably fair thing to assume that the only object of the Minister in pushing forward this Bill, and especially the portion of it now under review, is that he is afraid to risk what the Tariff Commission's reports may reveal. If the Minister and those sitting behind him are sincere in the belief that evidence exists which will show the necessity for such legislation, that is an argument which should induce him to listen to the request of members of the Opposition to delay the passage of the Bill. But in spite of all entreaties, not only on the part of members of the Opposition, but of some of those who are of the same fiscal faith as himself, to delay further action until such time as we are in possession of fuller information, the Minister has determined to push on with the Bill. He cannot very well complain under the circumstances if some of us and the country at large are disposed to regard his feverish haste with suspicion. Coming to the clauses relating to dumping, we are entitled, I think, to have some definition of the term. What is "Dumping"? The Minister this afternoon, after two hours and a half or thereabouts of hard pressure, condescended to rise and endeavour to give some sort of a justification for introducing this measure. But he carefully avoided telling us what dumping is. He did not attempt to define the term, or to explain the process, but he attempted to show that something in the nature of what he was pleased to call dumping is going on in Australia—an effort which, I make bold to say, was not a brilliant success. The only thing which the Minister did was to show that certain importations are coming into this country, that they are competing with articles which are produced here, and that in some cases they are sold at a price below the cost of locally-produced articles, and, he also asserted, below the price of the same articles in the country from which they are exported. Admitting all that for the sake of argument—I do not admit it as a matter of fact—what does it tend to prove? Only that our people are thus enabled to get

things which they need at a considerably less cost than they would have to pay if they were dependent purely upon the monopolistic efforts of local manufacturers, with competition entirely shut out. But it does not afford any evidence of dumping as that term is applied in the old country. All that it shows is a desire to get a fair footing in the markets of Australia for these products, and that in doing so they give the public—the consumer—a wider range of choice at a lower cost for the article. The instances quoted by the Minister himself as awful examples of dumping and alleged ruinous competition, were not particularly striking, and certainly the Comptroller-General of Customs has not been very happy in his selection of the articles which it is asserted are being dumped into this country. The articles upon which special emphasis was laid by the Minister and the Comptroller-General were sewing machines, typewriters, and oils.

Mr. HENRY WILLIS.—And wire netting.

Mr. JOHNSON.—Wire netting was only mentioned incidentally. In regard to sewing machines, I should like to know where in this country they are manufactured. I have no knowledge of any local sewing machine being manufactured right out in this country.

Sir WILLIAM LYNE.—Beale's factory in Sydney is turning out hundreds.

Mr. JOHNSON.—I know that certain parts are manufactured by Beale's, but not the machinery parts. They, I understand, are imported.

Sir WILLIAM LYNE.—Then the honorable member understands wrongly.

Mr. JOHNSON.—I am not prepared to accept the Minister as always a reliable authority on matters of this kind, because he has so often been shown to have made mistakes, and to have misled the House in matters of fact.

Sir WILLIAM LYNE.—The honorable member has no right to say that.

Mr. JOHNSON.—I have every right to state what is a notorious fact. The deception may be unintentional, perhaps; but it has turned out upon inquiry that the Minister's information was incorrect. Does he mean to say that he knows that sewing machines as a whole are manufactured at Beale's factory? I have been led to believe something very different from that. I understand that in regard to both pianos and sewing machines only certain portions of them are manufac-

tured here. As to typewriters, it may be that there is a typewriting factory in Australia of which honorable members have no knowledge. I certainly know of no such industry. I do know that most typewriting machines are the subject of patents, and I take it that whatever manufacturing there may be here is done only with the consent and under the control of the patentees, who are mostly, if not wholly, non-residents of Australia. I do not believe, however, that there are such cases. Certainly I have never heard of them. In regard to oil, it has been shown that oil can only be produced here at a considerably greater cost than that of oil imported from where the natural oil is obtained from wells. It can be landed in Australia without in any way lowering the rates of wages, or curtailing legitimate profits. But this imported oil is shown to be much cheaper and better than the Australian oil, which, so far from being an injury to the poorer classes, who use oil for lighting purposes, is a distinct advantage, and we ought not to seek to put obstacles in the way of their getting cheap lighting. Among other things which the Minister enumerated in his second-reading speech was galvanized wire rope. Is there any galvanized wire rope manufactured in Australia?

Sir WILLIAM LYNE.—There never will be if the honorable member's policy is carried out.

Mr. JOHNSON.—The Minister is evading the point. In a second-reading speech he led the House to believe that these several articles are being dumped here to the detriment of Australian industries, to compete against articles which are made here and sold at a lower price than the locally-made article.

Sir WILLIAM LYNE.—I did not say so.

Mr. JOHNSON.—The honorable gentleman implied as much, if he did not say it in so many words; otherwise for what purpose did he quote illustrations of that kind? Where was their application if it were not to point a moral of that description? Yet, when we come to inquire about the articles which are alleged to be dumped in competition with Australian manufactures, and to their detriment, we find that no such articles are being made here. These articles are needed for the benefit of many other industries which to a large extent depend upon them; and there-

prohibition will be a death-blow to many of such industries. In his precious list, the Minister cited table knives as an illustration of the terrible effects which the importation of these goods has upon Australian industries. Where can any one point, in Australia, to a factory which manufactures table knives? I do not know of such a factory, and I do not think that any other honorable members do. Yet this is one of the items relied upon by the Minister to strengthen his case for the clauses against alleged dumping. Another item he enumerated was steel rails. Do we manufacture steel rails?

Sir WILLIAM LYNE.—We should.

Mr. JOHNSON.—That is an evasion; the point is, do we?

Sir WILLIAM LYNE.—Because the honorable member stops it.

Mr. JOHNSON.—The honorable gentleman has quoted these articles, not as showing what should be manufactured in Australia, but as evidence of industries which he alleges are suffering by competition from imports. He tried to make it appear to the public that all these industries were established and subject to unfair competition, and he gave these alleged instances of dumping and injury to Australian industries as his reason for the introduction of a measure for the purpose of stopping the importation of goods.

Sir WILLIAM LYNE.—I never said so.

Mr. JOHNSON.—If the honorable gentleman did not say so directly, he implied as much; otherwise, what was his purpose in giving the illustrations? They had not the slightest point or application. But he knows perfectly well that they were intended for that purpose, and for no other. Again, he cited shovels, tin plates, washboards, and lawn mowers. Where are tin plates manufactured in Australia? Perhaps he will also tell us where we manufacture lawn mowers and other articles which he enumerated in this precious list, which was not worth the paper it was written on as an illustration for his purpose. But coming to the question of price, he also dragged in harvesters. The conviction is firmly rooted in the minds of honorable members that this measure has been introduced with the object of benefiting one Australian industry primarily, and that is the harvester industry, which is chiefly in the hands of his friend and *protégé*, Mr. McKay of Ballarat. We know perfectly well

that if it had not been for the persistent efforts of a certain firm in Victoria—who behind the back of Parliament wanted to get all the advantages which prohibition would give them, and which it refused to give them by means of the Tariff—in agitating and bringing pressure to bear upon the Minister, to legislate so that they could secure a monopoly of the manufacture of the article in this State, we should not have seen a Bill of this character introduced. Other matters are only dragged in for the purpose of throwing dust in the eyes of the people, and making it appear that generally the industries of Australia are the subject of this paternal interest at the hands of the Government. But we know perfectly well what the mainspring of their action was. The Bill was only intended primarily to benefit a man who admittedly is making from £28,000 to £30,000 a year out of the existing Tariff—a man who is not paying conspicuously high wages to his employes, but who has the effrontery to want the taxpayers, when they would not grant him the additional protection he desired, to be made to suffer by means of using the administration of the Customs House. This Bill was only designed for that purpose. Knowing that Parliament would not give higher protection to this firm, the Minister came down with this Bill, so that behind the back of Parliament an irresponsible tribunal, in conjunction with himself, could bring about all the monopolistic advantages which the most prohibitive duty would give them. It is time that this measure and its authors were exposed, and the people made fully acquainted with its character. The Minister deplored the fact that imported harvesters are sold to the farmers at a cheaper rate than are the locally-made harvesters. In his view it is an evil that the farmers should get cheap harvesters. I wonder if the farmers in his own electorate regard cheap agricultural implements as an evil. If they do, there is nothing to prevent them voluntarily paying double or quadruple the price. Who gets the benefit of the cheapness in connexion with the articles which he enumerated? Do not the public reap the benefit? When I asked the Minister that question by interjection, he immediately turned round and said that the object of this legislation was to cheapen the price of the locally-made article to the people. Who will believe that statement, unless he be the veriest simpleton in the

world? First, the Minister complained about the effect of dumping being to bring about cheapness, because he spoke of the imported article under-selling the Australian article, and he said "That is an evil, and must be stamped out, and the only way to prevent that cheapness is to stop the introduction of these articles, so that the locally-made articles can command a higher price." But in the very next breath he contradicted himself, by declaring that the reason why he wanted to prevent importation was not that the local producer could get a better price for his article, but that the public could get the article at a lower price. Who can follow arguments of such a contradictory character? The Minister cannot possibly have any faith in them, because if he only reflects for a moment he must be struck with their utter absurdity and absolutely self-contradictory character. But we know perfectly well that all this facing-both-ways is characteristic of the Minister and those who want to bleed the unfortunate public for private gain. What they want to do is to raise the price of all goods to the consumer. The result will be absolute injury to the great mass of the people. In regard to dumping, the honorable and learned member for West Sydney referred to the scriptural illustration of the falling of manna. I suppose the Minister of Trade and Customs would say that was dumping of the very worst description. Yet, if we were to get all our material wants rained down from heaven in the same way—if the earth were to be flooded with bounteous gifts of the things which minister to the necessities, the comforts, the luxuries, and the happiness of the people—I suppose that it would be called dumping in the most extreme form. But can anybody point to a single person who would be hurt or injured by such a process of dumping? I wish that those who object to dumping would only dump into my back yard all those useful things which go to minister to the wants and luxuries of mankind. I should receive them most thankfully. I should not take it ill if my grocer, my butcher, my baker, my tailor, or any one else to whom I usually have to give something in exchange when I want his goods, were to insist upon dumping them into my back yard every hour of the week at a fraction of cost or at no cost at all to me. I wonder who would get

poor first—I or the dumpers? Why, sir, it is absolutely absurd to argue that any system of importing the things which the people need at the lowest possible rates can do injury to the community. Is it to be supposed for a moment that a country will dump its goods into Australia without getting some equivalent in return? Does not the Minister know sufficient of economics to be aware that imports are paid for by exports, and that no country can be a purely exporting country unless it chooses to pay about twice or, perhaps, even more, the rate of freight which otherwise would be charged, even if trade could be carried on at all of such a one-sided character? Only this afternoon, in connexion with the mail contract, we had from the Prime Minister a statement in which he said that certain ships with a very large tonnage would have to be built, and provided with an immense amount of storage space for the purpose of—what?—taking away Australian perishable products in exchange for goods produced in other countries. How are the sales going to be effected? The Minister knows perfectly well that such sales are effected by means of exchanges, and that the exports in the mail ships will have to be paid for by goods imported from other countries in exchange. Does he suppose that these magnificent ships will leave London, and other ports, and come to Australia with their holds empty? Yet the very object of this measure is to try to bring about such a state of things! We know perfectly well that they could not carry on trade and commerce on those lines for a month without going bankrupt, and doing immense damage not only to themselves, but to the trade and prestige of Australia. This afternoon we had the honorable and learned member for West Sydney, a professed out-and-out free-trader, defending legislation of this character, certainly in a more or less unconvincing and, perhaps, half-hearted way. Has he considered what the effect would be upon the particular class of persons whom he comes here specially to represent? One of the effects of any diminution of importation by means of the prohibitive power proposed to be granted to the Minister would be to largely paralyze the trade, commerce, and industry of this country. There would be fewer ships coming here to land goods. A multitude of the men who find employment on the wharfs of Melbourne,

Adelaide, and Sydney would have to seek other avenues of labour. Our graving docks and ship-repairing yards would suffer severely through a diminution in the volume of work which ordinarily went to them. The hands who are now employed in industries which are more or less dependent upon shipping, and the success of which must either be promoted or diminished as our shipping is encouraged or discouraged, would be very seriously affected by the operations of the Bill. Honorable members must know that any interference with the trade and commerce of this country would involve not only the importers, with the immense army of employes dependent on the importing trade, and an immense number of carters and others, but also various branches of industry which are directly and indirectly associated with, and dependent upon, shipping. This would affect all our ports and all the people of Australia. I do not wish to pursue the subject at any great length at the present stage, but I would seriously urge the Minister to give due weight to the speech of the honorable and learned member for Bendigo. Coming from the Chairman of the Tariff Commission, as it did, it certainly should carry a very large amount of weight with the Minister. I urge the honorable gentleman to give due consideration to the appeal to delay the further consideration of the measure until honorable members generally have had an opportunity of studying the reports of the Tariff Commission, and then seeing whether any such necessity exists for this legislation as he alleges does exist. I do not for a moment believe that there can be brought forward any evidence which will justify the introduction of a Bill containing clauses of this description. I do not believe that the Minister knows of a tangible case of dumping which will justify the enactment of such legislation. In the face of any evidence to the contrary, we can only assume, and we are warranted in assuming, that there must be some sinister influences outside the House which have not been disclosed by the Minister, or any of his supporters, to account for this indecent and undignified haste in pushing forward a measure for which no reason whatever has been shown to exist.

Mr. KNOX (Kooyong) [8.5].—Although we have had a very instructive debate on Part III. of the Bill, no utterance to which honorable members have listened de-

serves more serious consideration than that of the honorable and learned member for Bendigo, supported as it was by the speech of the honorable member for Perth. Surely the Government must feel that in disregarding those remarks it is practically flouting the Tariff Commission. The honorable and learned member adduced weighty arguments to prove that at this stage we require more information than we at present possess in regard to the dumping which Part III. is intended to guard against. With the utmost respect for the members of other Royal Commissions, I say that it will be generally admitted that no Commissioners have more thoughtfully, carefully, and attentively carried out the tasks allotted to them than have those appointed to consider the effect of our Tariff upon Australian industries. There have always been large attendances at the meetings of the Commission, and the desire to secure evidence on both sides of the questions coming before it has been evident from the first. Therefore, the appeal of the Chairman for the postponement of the consideration of this important measure deserves more respect than has been shown to it. I do not wish to speak unkindly, but the action of the Minister forces us back to the belief that the Government is being compelled by others to push the measure forward before information, which would be available after a very short delay, can be obtained. The Minister was challenged to give instances of dumping such as the Bill would deal with, and replied most weakly. He referred to one or two industries which, in the proper sense of the words, are, not manufacturing, but assembling, industries, the work of whose operatives is to put together imported parts. While I admit that such industries are serviceable to the community, they are not such as justify the enactment of legislation like that before us. I ventured to suggest, when speaking on the second reading, that the Committee would be found unanimously opposed to the deliberate importation of goods for the purpose of destroying Australian industries: but the measure provides for a direct restraint of trade, and gives to the Minister powers which he should not be permitted to exercise, even with the safeguards arranged for. If it is really the desire of the Government to give relief to industries requiring assistance and further protection, why do not Ministers bring forward for consideration the reports of the Tariff Com-

mission already to hand? The honorable and learned member for Bendigo thinks that it will take at least a month to consider those reports, and to give effect by legislation to any decisions arrived at in regard to them, and I, for one, am prepared to pay serious attention to the recommendations of the Commission, with the desire to do all that is necessary to give help to industries requiring it. By the time the three reports now before us had been dealt with, the Commission, I have reason to believe, would have presented other reports.

Mr. FOWLER.—If Parliament commenced to deal with the Commission's reports to-morrow, I think that I can safely say that the Commission would undertake to keep it supplied with work for the rest of the session.

Mr. KNOX.—That is a declaration to which the Ministry should pay serious heed, and I have no doubt that it will be indorsed by the chairman of the Tariff Commission.

Sir JOHN QUICK.—Hear, hear.

Mr. KNOX.—Surely the statements that have been made by the honorable and learned member for Bendigo and the honorable member for Perth, as chairman and member of the Tariff Commission respectively, amount to a challenge to the Government, who profess to desire to assist our industries, to postpone the consideration of the Bill for the present, and engage in the more practical work of dealing with the reports of the Tariff Commission. If Ministers adopt this course, I am sure that they will receive the assistance of a number of honorable members on this side of the House. The Government are flouting the business men of Australia, and are unnecessarily interfering with the course of trade and commerce by unduly pressing forward legislation of this kind. The object of the part of the Bill now under discussion is to prevent the importation of goods which are deliberately brought here for the purpose of destroying our manufactures, and Ministers will best accomplish their end by giving reasonable consideration to the requests of honorable members. I do not believe that mere cheapness should be our sole aim. I desire that the fullest justice should be done to all our producers and manufacturers, but I do not think that we should be called upon to deal out of hand with an incomplete and ill-considered measure such as that now before us. It would

be an outrage, not only upon the House, but upon the community generally, to pass the Bill under present conditions, and any wrong that may be inflicted as the result of the Government persisting in their present course will inevitably react upon the members of the Labour Party, who are pressing them forward. It seems to be imagined that both our manufacturers and the working classes will be benefited by the prohibition of imports which it is intended to exclude by means of the dumping provisions; but it is questionable whether the Bill will confer the benefits that are expected to flow from it. I trust that the Government will cease their efforts to bulldoze honorable members into passing this ill-considered Bill.

Mr. CAMERON (Wilmot) [8.22]. — In common with most honorable members on this side of the Chamber, I am bitterly opposed to the Bill, and think that we are being unfairly treated by the Government. The honorable and learned member for Corinella asked the Minister of Customs to afford us certain information, and the Minister has made a statement in which he has done little more than repeat what he stated during the second-reading debate. He threw very little additional light on the subject. He produced a bit of soap which, although it bore a German label, he told us had been made in Japan.

Mr. JOHNSON.—And a very fine piece of soap it was.

Mr. CAMERON.—So far as I was able to judge, the soap was fairly good. I did not test it by making use of it, because, fortunately, I do not require so much washing as do certain Ministers. The Minister endeavoured to impress upon us the fact that dumping was being carried on to an extent that was proving disastrous to many of our industries. If he had desired to convince honorable members upon that point he should have proved his case by bringing forward incontrovertible testimony, instead of merely producing a piece of soap. Although he stated that the soap had been made in Japan, it bore a label printed partly in French and partly in German, and there was absolutely no evidence that the article was the product of Japanese labour. The Minister should not content himself by making mere assertions, but should submit absolute proofs. Of course, the object of the Minister was to excite the feelings of honorable members against the introduction into the Com-

monwealth of the products of cheap labour. If he knew anything about Japan, he would be aware that the Japanese, who live principally on rice and fish, have a very small number of cattle and sheep, and are therefore not able to produce large quantities of tallow with which to manufacture soap for export. If the soap produced by the Minister was made in Japan, its principal constituent, namely, tallow, must have been first imported either from Australia or South America. The Minister should be in a position to substantiate his statements. I should like to point out that three classes of the community are deeply interested in this measure. The first class, the manufacturers, is a comparatively small one. The second class, the employes in our manufacturing industries, is not a very large one; and the third class, the consumers, is by far the largest and most important. It appears to me that the Minister of Trade and Customs has gone mad on the subject of protection, and that in his desire to bolster up Australian industries, he has entirely lost sight of the interests of the largest class in the community, who will undoubtedly suffer seriously if this precious Bill becomes law. Dumping is generally understood to consist of placing upon the market a large quantity of a given commodity within a very short time. There can be no question that when a market is flooded in this way, the tendency is to depress prices for the time being. This may not be of any benefit to the manufacturers, or their employes, but it is certainly good for the great bulk of the consumers. The Minister says that if, as the result of dumping, our manufacturers are ruined, the importers who have been flooding the market will in a very short time raise their prices, and the consumers will eventually be no better off than if they had paid reasonable prices all along. We know, however, that if prices were unduly raised, those who had been responsible for the dumping, with the object of securing the market for themselves, would very soon be exposed to competition from other quarters. Most European countries are unable to consume all the manufactured goods that they produce, and would very readily seize an opportunity to enter into competition with any body of men who might seek to monopolize our market in the manner indicated. I do not know of any article except oil, the price of which could be unduly inflated for any

Mr. Cameron.

length of time, because competition would undoubtedly operate to bring prices down to a normal level. For these reasons, it appears to me that we need not be afraid that any very disastrous effects will follow from dumping. The honorable and learned member for Wannon, before the adjournment for dinner, made an extremely eloquent speech, in which he conclusively proved that statements which the Minister had accepted as gospel were utterly without foundation. Manufacturers abroad, by the aid of better machinery, or owing to the fact that they are able to manufacture on a large scale, are enabled to produce certain articles very much more cheaply than they can be produced here, and if we pass this Bill we shall say to those persons. "We shall not allow you to sell your goods at a price which yields you a fair profit, and which you are prepared to accept, but we shall compel you to raise your price to that of the Australian manufacturers of the same goods." If we take ploughs, for example, which are amongst the most useful implements employed in one of our primary industries, we shall find that Australian ploughs at the present time cannot be sold at much less than from £6 10s. to £7. We are told that they are superior to the implements imported from America and Canada. Whether that be so or not, I am unable to say. The workmanship of the imported implements may not be quite as good as that of the implements locally manufactured, but they answer their purpose, and American and Canadian ploughs can be sold here at from £4 10s. to £5. If this Bill is to have any effect at all, action may be taken under it to compel American and Canadian manufacturers of ploughs to put their price for those implements up to the price charged by Australian manufacturers. Who will suffer by that? It will be the farmers of Australia, of whom I am one. I therefore say that if this Bill is allowed to become law, its effect may be to inflict injustice on one of the most deserving classes in the community. I recognise that honorable members can speak more than once to the same question in Committee, and I shall, therefore, not speak at length at this stage, but, before resuming my seat, I do urge upon the free-traders in the labour ranks opposite to consult the best interests of the people of Australia, and vote against these anti-dumping clauses.

Mr. GLYNN (Angas) [8.35].—I do not propose to go into the question as to what

is dumping and what is not. I think that the definition given by the honorable and learned member for Bendigo, though it may be somewhat too wide, will fairly answer the purpose. Some reference has been made to the dumping of wire nails and tacks by German manufacturers, but, according to consular reports, that was dumping, but the reference was not to Australia. It was pointed out in some of the English consular reports that wire nails and tacks largely exported from Germany were sold in the Home market at a profit of 1,200,000 marks in six months, and at a loss on export of 859,000 marks. That was dumping, and the class of dumping to which the honorable and learned member for Bendigo referred. The Minister gave no instance of that sort of dumping. The reference to harvesters does not apply, because they are not manufactured in America for consumption locally, and we therefore cannot have the difference in price, which is the very essence of dumping. Throughout this Bill there are references to labour and to a fair remuneration for labour. If this is a Bill to protect labour, we should be very careful that it does protect labour. I remember that some time last year a Trade Union Congress sat in England, and when the question of the efficacy of protection in its various forms as a remedy for some of the acknowledged grievances of labour in the United Kingdom was considered, that remedy was rejected by the Congress by a vote of, I think, 1,250,000 to about 27,000 or 28,000. That being so, I do not think we should trust too much to a measure of this sort, and to the benevolence of the capitalists, who have been so instrumental in pushing it on, to deal fairly with labour, but should put within its four corners a provision that will secure to labour what it is justly entitled to, and about which its advocates are so solicitous. I remember, on glancing through some of the evidence given before the Tariff Commission, finding that the figures quoted by witnesses did not show that labour was in a very happy condition in some of the machinery factories, whose proprietors have been pressing this legislation upon the Government. The aggregate figures as to the wages paid, taken in connexion with the number of employes, showed the payments to amount, in some cases, to from £70 to £75 per year per man. I have seen figures given by some of the witnesses which would not work out at even £50 per year

per man. I do not know what wages are really paid, but these figures were for 1902, and I should think that wages did not vary very much up to 1904, when the alleged competition was in existence. I could refer honorable members to the particular witnesses who supplied the figures which I have quoted, but, following the suggestion of the Chairman of the Tariff Commission, I do not propose to make more than a cursory reference to the evidence given before that body. In America all these agencies are at work, and in addition to very stiff protection the Wilson Act, which is framed upon somewhat similar lines to this Bill, operates. But labour at Pittsburg, for instance, does not seem to be in a very happy state. In a work just published by a Mr. Shadwell, on *Industrial Efficiency*, reference is made to Pittsburg as "Hell with the lid off," and to Homestead as "Hell with the hatches on." He says—

Here is nothing but unrelieved gloom and grind; on one side the fuming, groaning walls, where men sweat at the furnaces and rolling mills twelve hours a day for seven days a week; on the other side, rows of wretched hovels, where they eat and sleep, having neither time nor energy left for anything else.

This is the state of labour in the iron works of America, where they do protect capital, and where they cannot, under their constitutional laws, protect labour, as we can here.

Mr. MAUGER.—Would the honorable and learned member allow goods made under those conditions to come in here?

Mr. GLYNN. — I wish the honorable member for Melbourne Ports to assist me in preventing that kind of thing being even possible here. I want the honorable member and the public who are delighted by his advocacy of their cause, in the propagandism that is going on outside, to see that this Bill does protect labour, and not merely capital. That is the point. I say that there exists in America, according to the evidence supplied by Mr. Shadwell in his two volumes recently published, that state of affairs. In Pittsburg, which is the very home of the iron industry, along with a very liberal protection under the Tariff and the operation of the Wilson law, which is somewhat similar to this Bill, labour is degraded. That is the position in America. We can cure that by operating upon the definitions in this Bill. Very often the definitions in a Bill look quite as simple as does the

Minister in charge of it, but they mean a very great deal. I shall not detain the Committee any longer at this stage, but I indicate that, to test the feeling of honorable members, I shall move an amendment upon this clause, providing for a definition of labour. The alphabetical arrangement is not followed in the clause, and I propose to move, after the definition of the word "trade," the insertion of these words—

"Labour" means labour in Australian industries to which a Commonwealth or State law providing for the fixing of the remuneration of labour by an award of a Court of Arbitration, an industrial agreement, or a Board applies, or, if no such law applies, in which in the opinion of the Justice the remuneration of labour prior to the alleged unfair competition was fair.

We find that on the subject of harvesters some of the gentlemen who gave evidence before the Tariff Commission, and who are advocating prohibitive duties, submitted figures from which it appeared that about 25 per cent. only of the product was represented by labour. Let us now protect that 25 per cent., and not give the whole of the protection to the other 75 per cent. I have no wish to be unreasonable, and I have therefore framed the amendment so that it shall apply not merely to industries protected under an Arbitration Act with provision for awards in favour of labour, by an industrial agreement also sanctioned by an Act, or by Wages Board, but that it shall also apply where these means of protection do not exist if the Justice thinks that the remuneration of labour prior to the alleged unfair competition was fair.

Mr. WILKS.—It would have the same effect as the institution of a Wages Board.

Mr. GLYNN.—Practically the same effect. As we now find gentlemen, and amongst them politicians, in their spare time perambulating the country, organizing labour and telling labourers that all sorts of things will follow the prohibition of imports, and the increase of Customs duties, that if we reverse the rule which hitherto we have thought led to productive progress, the millennium will come about, I propose to move the amendment in order that the hopes which have been raised amongst the labouring classes by these perambulating and somewhat loquacious persons shall not be falsified.

Amendment (by Sir WILLIAM LYNE) agreed to—

That the words "'Board' means a Board appointed under this Part," lines 2 and 3 be left

out, with a view to insert in lieu thereof the words "'Justice' means a Justice of the High Court."

Mr. DUGALD THOMSON (North Sydney) [8.45].—I move—

That after the word "thereof," line 8, the words "but do not include goods imported from and the product of the United Kingdom" be inserted.

I think that the Minister will recognise the importance of that amendment, and I hope he will give it the favorable consideration which, in my opinion, it deserves.

Mr. MAUGER.—Canada has passed special laws to protect herself against the dumping of goods from the United Kingdom.

Mr. DUGALD THOMSON. — I will deal with that matter when I come to consider the Canadian legislation. It must be remembered that the provisions of this Bill are to operate in addition to the Customs duties which we have imposed, or may impose, on imports from foreign countries, Great Britain, and dependencies of the Empire. I do not think that the instances of dumping in Australia of exports from the United Kingdom are more than the instances of dumping of Australian goods in Great Britain, and the Minister has said nothing to shake that belief. There is, therefore, no serious reason for excluding British goods under the provisions of Part III. of the Bill. Harvesters, which seem always to be at the back of the Minister's mind, are not sent here from the United Kingdom. The first very important reason which I would urge in support of my amendment is the treatment which Australia and the other dependencies of the Empire have received from the mother-land. Great Britain gave us this great continent as a heritage. She has handed over to us and to our descendants a country which to-day is rich and prosperous, and gives every promise of increasing in prosperity and supporting an enormous population.

Sir WILLIAM LYNE. — But the English people will not give us preferential trade.

Mr. DUGALD THOMSON.—They give us what is a much greater advantage—free entry for our goods into their markets.

Sir WILLIAM LYNE. — According to the honorable member's belief, we should allow everything to be imported here free of duty.

Mr. DUGALD THOMSON. — If we had any gratitude to the mother-land, we should do so as regards her products.

Mr. MAUGER.—Has the fulness of time come?

Mr. DUGALD THOMSON.—I do not know when the honorable member would consider that the fulness of time had come. We can only be certain that he will not be here then, though we hope that he will have preference in a better place.

Mr. MAUGER.—Does the honorable member think that the fulness of time has come to reap the advantage of pauper labour?

Mr. FULLER.—That is a cry upon which the honorable member for Melbourne Ports has lived all his life.

Mr. JOHNSON. — When he speaks of "pauper," he means protected labour.

Mr. DUGALD THOMSON.—The honorable member, as a protectionist, has every opportunity, by the imposition of Customs duties, to get rid of the effect of the difference between the cost of labour in Australia and its cost in Great Britain. He has already exercised that privilege to the full, and intends to exercise it to excess.

Mr. MAUGER.—He intends to exercise it reasonably.

Mr. DUGALD THOMSON.—Not only has Great Britain given us this Continent as a heritage, but, with surprising generosity, she has allowed us full rights of self-government. If she had considered her self-interest alone, it would have instigated her to withhold from us the power to tax her goods, and to frame our Constitution so as to provide for the free entry of British goods into Australia. She has given us the right to legislate, not only for our own advantage, but even to her injury. No doubt her statesmen anticipated that we, having been treated generously, would give a generous return. This measure will show that Great Britain cannot expect from this part of the Empire generosity such as she has herself displayed. The hand which has given all these things, and which we are attempting to smite, shelters us from our enemies. The people of Great Britain, who are comparatively poorer than those of Australia, have to dip deeper into their pockets, and pay more per head for defence, than we do, so that our shores and our commerce may be protected by the British Fleet.

Mr. MAUGER.—Must we, because they do that, allow them to dump their goods here?

Mr. DUGALD THOMSON.—We, because they do that, should extend a little generosity to them.

Mr. MAUGER.—Would the honorable member extend generosity to a Chinaman?

Mr. DUGALD THOMSON.—If a Chinaman had been generous to me, I hope that I should be generous to him in return.

Mr. MAUGER.—We are not talking about generosity.

Mr. DUGALD THOMSON.—I am talking about generosity. There is much reason to do so.

Mr. JOHNSON.—There is too much anti-British sentiment in this House.

Mr. DUGALD THOMSON.—A little generosity may surely be expected in return for the great generosity extended to us. The honorable member for Melbourne Ports has had every opportunity to impose conditions regarding the terms, as to payment of duty, under which British goods will be admitted here, and has exercised it, to the full. The provisions of the Bill are additional to the Tariff, and allow for the absolute prohibition of importation, if the Minister so wills it.

Mr. ISAACS.—Not the Minister.

Mr. DUGALD THOMSON.—I understand that amendments are to be made in this part of the Bill.

Mr. ISAACS.—The proposal that a Justice of the High Court shall be appointed for this work has been practically adopted by the insertion of the interpretation of the word "Justice" in clause 12.

Mr. DUGALD THOMSON. — The amendments to which the Attorney-General refers will transfer the power of prohibition from the Minister to a Justice, but the Justice will be guided by the conditions which we lay down in the Bill. The second reason why my amendment should receive favorable consideration from the Government is that Ministers have declared themselves in favour of returning concessions for concessions.

Mr. WILKS.—They call that preferential trade.

Mr. DUGALD THOMSON.—Yes. The principle of preferential trade is the return of concessions for concessions. Surely when Great Britain admits such large quantities of our produce freely—

Sir WILLIAM LYNE.—She takes only 5 per cent. of her food supplies from us.

Mr. DUGALD THOMSON.—We do not export food supplies only. She takes also our wool and our minerals.

Mr. BAMFORD.—She cannot do without them.

Mr. DUGALD THOMSON.—Neither could we do without some of the goods which she sends to Australia. I should like

the Minister to say what proportion of our exports goes to Great Britain. Those goods are dumped on her shores, if we accept the Minister's definition of dumping. Is Great Britain to receive no consideration from this dependency, to which she has shown so much?

Mr. EWING.—Millions of loyal Englishmen are opposed to dumping.

Mr. DUGALD THOMSON.—I give the honorable member credit for knowing a little about business matters—I could not say so much for every honorable member—but is he aware that the Minister has defined dumping as the sending of surplus products to another market, to be sold there at whatever prices they will fetch, and often at lower prices than can be obtained for similar goods in the country of production?

Sir WILLIAM LYNE.—I said “always,” not “often.”

Mr. DUGALD THOMSON. — The Minister said that sometimes dumped goods are sold at a profit.

Mr. EWING.—Millions of loyal Englishmen are opposed to dumping, and a very strong party in England is adverse to it.

Mr. DUGALD THOMSON.—If they are opposed to dumping in the sense in which the Minister of Trade and Customs uses the term, they must be opposed to the exportation of Australian surplus products to Great Britain, to the disturbance and disorganization of Home industries. The Vice-President of the Executive Council, who represents an electoral division in which there are many butter factories, knows that an association determines what quantity of butter is likely to be absorbed by this market, and fixes the price for it, the balance being exported to Great Britain, to be sold there at what it will fetch. That, according to the definition of the Minister of Trade and Customs, is dumping. Similarly, we send our fruit to Great Britain—not that for which we can obtain a good market here, but the surplus, which could not be disposed of here, and the offering for sale of which would depress local prices. Our surplus fruit is sold in Great Britain for whatever price can be obtained for it, and sometimes for considerably less than is obtained in our own market.

Sir WILLIAM LYNE.—No, no.

Mr. DUGALD THOMSON.—I say yes.

Sir WILLIAM LYNE.—It is nearly always a higher price.

Mr. DUGALD THOMSON.—I say no; on many occasions the price is considerably lower, and heavy losses have been made on shipments, not when goods were damaged, but when they were sound.

Sir WILLIAM LYNE.—When they were damaged.

Mr. DUGALD THOMSON.—Unfortunately, the Minister brings little study or knowledge to bear on the subject.

Sir WILLIAM LYNE.—I know just as much as does the honorable member, and a little more.

Mr. DUGALD THOMSON. — The Minister will see from the press reports that the same classes of apples, for instance, are quoted often at a higher rate in Australia than in Great Britain.

Sir WILLIAM LYNE.—Very seldom.

Mr. DUGALD THOMSON.—I say that often the same classes of apples are quoted at a higher rate in Australia than that at which they are sold in London.

Mr. CAMERON.—What about meat?

Mr. DUGALD THOMSON. — Yes, what about meat? Will the Minister tell me that the prices obtained in Australia for meat are not higher than those obtained in the London market?

Sir WILLIAM LYNE.—Not always, but sometimes.

Mr. DUGALD THOMSON. — The same price is obtained so seldom that we may say it is never obtained.

Mr. KENNEDY.—Does the honorable member say that the price of Australian meat is lower in London than in Australia?

Mr. DUGALD THOMSON.—Yes, I say that the price in London is relatively lower, when the cost of sending the meat there is deducted; and I make that statement on the highest authority, namely, that of the exporters.

Mr. KENNEDY.—The honorable member is taking special cases. In Queensland the price of beef is considerably lower than in Victoria, and the relative cost of transport is greater.

Mr. DUGALD THOMSON.—I am not taking any special cases.

Mr. KENNEDY.—Take the whole of the Victorian export.

Mr. DUGALD THOMSON.—I am saying—or rather I am interjecting—that in the majority of cases Australian meat sells at a lower rate in London than it does in Australia, when the price of sending the meat there is deducted.

Mr. McWILLIAMS.—Fruit does so, quite repeatedly.

Mr. DUGALD THOMSON. — Fruit very often does so, at any rate.

Sir WILLIAM LYNE.—Very seldom.

Mr. DUGALD THOMSON. — The Minister ought to be aware of the fact, and if he is not, his officers ought to be able to inform him. Would people be foolish enough to export if they could get as good, or a better price, in their own market? The very inference to draw from the fact that people export is that they cannot get the same price in their own market—they export to keep up the price.

Sir WILLIAM LYNE.—They export because there is no demand for the produce here.

Mr. DUGALD THOMSON.—That is just it: and when they export, it shows that if they retained all the products here, they would get a worse price here than they do in Europe; otherwise they would sell all they produce here. If the Minister will agree to this amendment, I undertake to prove my statement to the satisfaction of the Government.

Sir WILLIAM LYNE.—I am almost tempted to accept that offer.

Mr. DUGALD THOMSON.—Let the Minister do so. I have no desire to discourage or interfere with such exports; but how do they affect the English producer? The importation of Australian beef, lambs, and so forth, into England has, bit by bit, taken the trade out of the hands of the English grower. The importation of Australian fruit into England operates in the same way, but not to the same degree, because it arrives there out of the English season, when there is not much English fruit to offer.

Mr. SALMON.—Does the honorable member say the same about butter?

Mr. DUGALD THOMSON.—Yes.

Mr. SALMON.—The Danes do not say that the importation of Australian butter takes the business away from the English producer, but that it takes the business away from them.

Mr. DUGALD THOMSON.—The honorable member can easily satisfy himself on that point.

Mr. SALMON.—I have done so.

Mr. DUGALD THOMSON.—Then the honorable member must have found that what he states is not altogether the case. If we have regard to the importation of Danish butter into England before Australian and New Zealand butter went there,

the enormous increase from the latter places is not nearly accounted for by any drop in Danish importations.

Mr. SALMON.—Is it accounted for by the drop in the English production?

Mr. DUGALD THOMSON.—Australian butter interferes with the importation of Danish butter, but it interferes to a greater degree, probably, with the English production, because it is sold at a lower price than is the Danish. How can the honorable member ask any Parliament to conceive that the large quantity of butter which Australia and New Zealand exports to England does not, in combination with the Danish importations, interfere with production in England? Where was the butter obtained previously, if not from English and Irish producers?

Mr. FOWLER.—The English farmer has another tale to tell from that of the honorable member for Laanecoorie.

Mr. DUGALD THOMSON. — Of course. Great Britain does not interfere with these importations; but if the tenets of some men were to become those of the British people as a whole, there would be retaliation. This ungenerous treatment in return for the most kindly treatment, almost makes me a retaliationist. Great Britain might take a stand, and say, "We cannot any longer tolerate this; we have treated you well in welcoming your productions freely to our markets, to the injury of our producing classes; and when you not only impose duties which, in some cases, are sufficiently high to prohibit, but, where you cannot exclude by duties, you seek to exclude absolutely by a Bill such as this, it is time we dealt with your goods in the same way." If that attitude were taken by Great Britain, we should be brought to our knees immediately.

Sir WILLIAM LYNE.—Nonsense; do not talk such rubbish!

Mr. DUGALD THOMSON.—The Minister of Trade and Customs is a great authority on rubbish; but if he cannot make a more intelligent interjection than that, I ask him to turn his mind to his Bill—a task which he has not attempted yet. What I say is that we should be brought to our knees immediately if we were to receive from Great Britain the treatment that we mete out to her. To show that I am not without precedent in my proposal, I shall quote the legislation of Canada. In the Dominion there are provisions which are not called in the

measure anti-dumping provisions, but which have been called so here.

Sir WILLIAM LYNE.—Mr. Fielding so describes the provisions.

Mr. DUGALD THOMSON. — The Canadian Minister and some member of the Dominion Parliament may so describe the provisions. I am not finding fault with the description, and I am quite willing to call them anti-dumping provisions, if the Minister chooses. How does Canada deal with the question? The Dominion Act of Parliament is more a measure for the equalization of prices than anything else. The section of the Canadian Act which deals with this matter is as follows:—

Whenever it appears to the satisfaction of the Minister of Customs, or of any officer of Customs authorized to collect Customs dues, that the export price, or the actual selling price to the importer in Canada, of any imported dutiable articles of a class or kind made or produced in Canada, is less than the fair market value thereof, as determined according to the basis of value for duty, provided in the Customs Act in respect of imported goods subjected to an *ad valorem* duty, such article shall, in addition to the duty otherwise established, be subject to a special duty of Customs equal to the difference between such fair market value and such selling price.

It will be seen that this aims at an equalization of prices, and even to that there is some limitation in the following:—

Provided, however, that the special Customs duty on any article shall not exceed one-half of the Customs duty otherwise established in respect of the article, except in regard to the articles mentioned in items 224 (pig-iron and cast scrap iron), 226 (iron or steel ingots, and other forms less finished than iron or steel bars, &c.), and 231 (rolled iron or steel plates), in Schedule A to the Customs Tariff 1897, the special duty of Customs on which shall not exceed 15 per cent. *ad valorem*, nor more than the difference between the selling price and the fair market value of the article.

The effect of these provisions is simply to equalize, by the duty, the prices of the imports, and even that is subject to some limitation. Canada does not attempt to exclude; she admits the goods, and only attempts to equalize prices. But what is Canada's treatment of Great Britain? Although these duties are imposed, Canada charges Great Britain only two-thirds of the duty which is charged to other nations.

Mr. ISAACS.—But Canada put up the duties first.

Mr. DUGALD THOMSON.—There is a distinction, in any case. I am merely stating the facts, and not arguing whether Canada is right or wrong, or is too generous, or not sufficiently generous. I only

desire to impress on the Minister the fact that Canada does to some degree recognise Great Britain in this connexion. Now we come to the New Zealand measure. We often hear New Zealand measures lauded by members of this Parliament, and frequently by members of the Government. It is evident, from the data which has been placed before us that the Government consulted the New Zealand measure before they drafted these anti-dumping clauses. The Government have not adopted the New Zealand provisions, and one reason for that may be that, while the Bill proposes to affect all goods, New Zealand only saw reason to deal with agricultural implements—that is, to deal with them if the occasion arose. I do not think that New Zealand has yet applied the provisions, and that is, I suppose, because there has not been found any necessity to do so.

Mr. ISAACS.—But New Zealand passed the Act, and if we pass the Bill we may not find it necessary to put it into operation.

Mr. ROBINSON.—What? With the present Minister of Trade and Customs in office!

Mr. DUGALD THOMSON. — If the Minister stands by the speech he has made, the Bill will be put into operation every day in the year.

Sir WILLIAM LYNE.—No, no.

Mr. DUGALD THOMSON. — We all know that there is the greatest difficulty in understanding what the Minister of Trade and Customs does say. At any rate, all this is apart from the question before us. New Zealand has not considered her legislation any too liberal, at any rate to the mother country. What are the provisions of the New Zealand Act? It is provided that if a certain Board finds that implements have been unduly and improperly reduced in price by the importers, the price shall not be increased to the consumer by excluding competitors, but a bonus, up to one-third, may be granted to the New Zealand implement makers to sustain them through the unfair competition. What a difference there is in the treatment of Great Britain by New Zealand as compared with the treatment proposed in the Bill! Let the Minister listen to this—I do not know whether he has noticed it before.

Sir WILLIAM LYNE.—Oh, yes.

Mr. DUGALD THOMSON.—Then the Minister has read it, and deliberately rejected it. We will see what that provision

is. The New Zealand Act in section 9 provides—

For the purpose of this Act, implements of British manufacture shall be deemed to be manufactured in New Zealand, and the importers of such implements shall be deemed to be manufacturers thereof in New Zealand.

It will be observed that not only does the New Zealand Act provide that implements of British manufacture shall be "deemed to be manufactured in New Zealand," but it makes the further provision that the importer of such implements shall be deemed to be a manufacturer in New Zealand. That means that if a bonus is given to prevent the destruction of industries by foreign importations, the importer of a British implement gets that bonus as well as does the New Zealand manufacturer.

Mr. SKENE.—What does "British" include?

Mr. DUGALD THOMSON.—I am not making my amendment as wide as that, because it might be considered to embrace something which was not desirable.

Mr. HIGGINS.—How would the honorable member prove that the goods were really British?

Mr. DUGALD THOMSON.—How is it proved in New Zealand? How are a great many things to be proved that this Bill deals with? There are far greater difficulties in the Bill than that. I think that my phrase, "Imported from and the product of the United Kingdom" is sufficiently clear to enable the Customs officers to get proof.

Mr. HIGGINS.—Germany sends cigars to Havanna, and they are exported from that place as "Havanna cigars."

Mr. DUGALD THOMSON.—The Commerce Act, which the honorable member assisted to pass, presents the same difficulty. If the Customs Department cannot ascertain with sufficient clearness to satisfy itself that particular goods are the products of Great Britain, it is not nearly so alert and capable as I suppose it to be. Will the honorable member for Northern Melbourne tell me this: Which is the greater difficulty, to say what is the ordinary cost of a product in English or foreign markets or to say whether the product is imported from Great Britain or from a foreign country? I know which task I would rather undertake.

Mr. HIGGINS.—You can ascertain the value of goods from other people.

Mr. DUGALD THOMSON.—You cannot find out the cost of production of cer-

tain manufactures from the productions of other manufacturers in the case of complicated articles of trade. In the New Zealand Act there is a generous recognition of the mother country. Whatever we may think of the New Zealand legislation, and of its nature and necessity, surely we must recognise, as New Zealand has done, the generosity of Great Britain, the support we get from the British Empire, and the protection it gives to us. New Zealand has recognised that within the four corners of an Act dealing with importations such as we are considering now.

Mr. SKENE.—And British people emigrate to New Zealand.

Mr. DUGALD THOMSON.—Naturally; they ought to be attracted to a country of that character. Any Briton ought to be. In a Bill such as this, where no need can be shown as regards British goods for such provisions as those which we are considering, we ought to recognise our debt to the mother country. Is the Government prepared to say deliberately in this measure that British goods shall be prevented from coming here under the very same conditions as those under which we send goods to Great Britain? Is the Minister of Trade and Customs prepared to say that there shall be no difference between the treatment of the mother country and that which is shown to foreign nations? Is he prepared to say that the policy of preference—of concession for concession—which this Government has supported, is so much empty sham, and that we shall take the first opportunity we get, not to assist Great Britain to send goods here, but to shut out British goods from our markets when there is no need for it? It has not been shown that there has been any dumping of British goods into Australia, except that dumping which consists in the export of a surplus, and the obtaining of the best possible price in the market to which the goods are exported; which is the class of dumping that we carry on with the great bulk of our exported products. I will ask whether there is any evidence of an intention to carry the preferential trade policy of the Government into effect; does the Government propose to follow the example set by preferentialists like the late Mr. Seddon of New Zealand? He showed that he was not merely a citizen of a portion of the Empire, trying to benefit the people of that portion, no matter at what expense to the rest of the Empire; but that he was the

citizen of a greater country, willing to take into account the advancement of every portion of it.

Mr. HIGGINS. — But suppose that one corner is trying to destroy another corner?

Mr. DUGALD THOMSON.—The honorable member has the best answer possible in the action of the late Premier of New Zealand. That gentleman saw no good reason to exclude British implements. Nay, he went further. He saw no reason why, if a bonus were given, it should not be granted to the importers of British implements as well as to the manufacturers of them in New Zealand. I have heard the honorable member laud New Zealand legislation; and I am sure that he would not wish to be less generous to the mother country than our co-dependency of New Zealand has been. I do not believe that any danger of dumping from Great Britain exists, and surely, that being the case, we may refrain from excluding British goods under such drastic, uncertain, and undesirable provisions as exist in this part of the Bill.

Mr. ISAACS (Indi—Attorney-General) [9.28].—With many of the sentiments expressed by my honorable friend the member for North Sydney, I most cordially agree; and I am proud to say that my colleagues do also. With the principle of preferential trade, we are in thorough accord; and we shall give honorable members opposite, I hope before very long, an opportunity to put into practice the sentiments that they now encourage. We fully appreciate the examples that have been set by Canada, South Africa, and New Zealand.

Mr. DUGALD THOMSON.—Without any preference from Great Britain.

Mr. ISAACS.—Without any preference, I regret to say, by way of reciprocal treatment, from the mother country.

Mr. CAMERON.—No necessity for it.

Mr. ISAACS.—My honorable friends are getting excited. I am going to put a little puzzle to them presently, and perhaps they will try to answer it. I say that we hope, before very long, to put before them proposals that will test their loyalty to the principle of preferential trade. But our policy will not be a so-called preference to Great Britain that puts her on the same footing as other countries; because we recognise no preference given to us by the mother country, which simply puts us in the same position as every foreign country that gives her no preference. My honor-

able friends argue that the mother country generously says to Australia, "We will give you exactly the same treatment as we give to Germany and China and Japan"; and therefore they turn to us and urge that we should exclude Great Britain from the operation of this Bill.

Mr. DUGALD THOMSON.—As Canada and New Zealand have done.

Mr. ISAACS.—Canada and New Zealand, with great respect to my honorable friend, have not. Have my honorable friends read this Bill? If they have read it, they will see that in these anti-dumping provisions there is not a word that is directed against any British trade whatever, except the trade that comes here with the intention to destroy Australian industries.

Mr. JOHNSON.—But that can be said of all competitive trade.

Mr. ISAACS.—I am endeavouring to answer a speech which was put fairly. I did not interrupt the honorable member for North Sydney for a moment, and I want my honorable friends to listen if they will to what I am saying, and to give a fair answer. The central clause is clause 15. It provides only for the case of an importer bringing in goods with the intention of unfairly competing against Australian goods, or with the intention of destroying Australian industries.

Mr. JOHNSON.—According to the honorable and learned member, all competition is unfair. So what is the use of giving an illustration of that kind?

Mr. ISAACS.—Some remarks are unfair, and the interjection is one of them. My honorable friend must not try to get out of a difficult corner in that way; he cannot do it. So far as this portion of the Bill is concerned, it is only aimed at such competition as is unfair, and such importation as is avowedly indulged in for the purpose of destroying Australian industries and lowering the remuneration of Australian labour. What room is there for generosity in that?

Mr. CONROY.—Will the honorable and learned gentleman put that in the clause?

Mr. ISAACS.—It is in the clause.

Mr. CONROY.—Will the honorable and learned gentleman put in the word "avowedly"?

Mr. ISAACS.—Oh! I see what my honorable friend wants; as long as a man does not get up and say, in so many words, "I am coming here with the intention," he

can have the intent. The effect will be the same. He can sweat our employes, and drive our industries off the face of the land, and my honorable friend will say that is nothing.

Mr. KELLY.—We are simply asking the Attorney-General to put in the Bill the same word as he used.

Mr. ISAACS.—My honorable friends feel the pinch of their position, and they are saying to us, "As long as this destruction comes from the motherland we shall allow it to go on." Our duty to Australia is to be Australians first; our duty here is to protect the industries of our land and the interests of our workers, and, whether the intent comes from New Zealand, Canada, or the mother country, I, for one, will not agree to permit the destruction to go on to the injury of my country.

Mr. JOHNSON.—Always provided that there is any such intent.

Mr. ISAACS.—Yes, and the Bill aims at no cases other than those in which that intent exists.

Mr. FULLER.—Will the Attorney-General give an instance of where that is being done to-day from Great Britain?

Mr. ISAACS.—If it is not being done from Great Britain, there is no necessity for the amendment. And, if it is being done from Great Britain, then I object to the amendment.

Mr. FULLER.—Will the Attorney-General give us an instance of any country from which it is being done to-day?

Mr. ISAACS.—The Minister of Trade and Customs has given many instances.

HONORABLE MEMBERS.—No, no.

Mr. ISAACS.—There seems to be a chorus. I cannot distinguish exactly the words, but they are in harmony apparently. I would like to put a case to my honorable friends. Suppose that an instance is brought before the Justice of the High Court, and that the facts show that from Great Britain goods are being imported with the intent that they may be sold or offered for sale within the Commonwealth in unfair competition with Australian goods, or with the intent to injure Australian industry by unfair competition. Will my honorable friends say that, in loyalty to Australia, they will permit that to be done if the injury comes from Great Britain?

Mr. CAMERON.—Yes.

Mr. ISAACS.—Then my honorable friend is not an Australian.

Mr. CAMERON.—Yes, he is.

Mr. ISAACS.—My honorable friend cannot have what I think he ought to have—loyalty to this country.

Mr. CAMERON.—The honorable and learned gentleman has loyalty on his tongue, but does not practise it.

Mr. ISAACS.—That is, I think a short answer to the speech of the honorable member for North Sydney. This is not an attempt to keep out any goods from any part of the world, provided that the competition is fair.

Mr. DUGALD THOMSON.—Look at what unfair competition is stated to be in paragraph *a* of proposed new clause 14. It applies to all our imports.

Mr. ISAACS.—That is hardly an answer to my question, unless the honorable member says he is going to vote for the whole of the paragraph.

Mr. DUGALD THOMSON.—Will the honorable and learned gentleman read it?

Mr. ISAACS.—I am very glad that my honorable friend has referred to the paragraph, because it shows exactly what I mean. It says that competition is unfair if—

under ordinary circumstances of trade—

this is no boom matter, but ordinary circumstances of trade with the best machinery and methods that we can procure—

it would probably lead to the Australian goods being no longer produced or being withdrawn from the market, or being sold at a loss unless produced at a lower remuneration for labour.

Which of my honorable friends will stand up and acknowledge himself as a supporter of sweating?

Mr. JOHNSON.—We are not protectionists, and that is why we are not sweaters.

Mr. ISAACS.—That is all it comes to.

Mr. JOHNSON.—The lowest wages prevail in the most highly protective countries, showing that protection is a rank and ghastly failure.

Mr. ISAACS.—I do not agree with my honorable friend in his fact, but that is not the question here. Whatever our wages are under ordinary conditions, with the best machinery and appliances we can procure, and the best methods we can adopt, if anyone comes here with the intent to break down an industry which it is desirable, in the interests of producers, workers, and consumers should be preserved, and if he attempts to break it down by means of a system of competition which nothing can avert, except the cutting down of Australian rates of labour, I say for myself and

the Government, "We do not care whether it comes from the mother country or anywhere else, we will not permit it."

Mr. CONROY (Werriwa) [9.40].—The remark was made last week that the Minister nominally in charge of the Bill was practically absent during the greater part of the time devoted to its consideration, and was, in fact, represented by counsel, while to-night again the speech of the honorable member for North Sydney has been replied to, not by him, but by the Attorney-General. This seems to me only right, because the Minister of Trade and Customs, in introducing the Bill, stood very much in the position of a criminal in the dock.

The TEMPORARY CHAIRMAN (Mr. MAUGER).—The honorable and learned member must withdraw that remark.

Mr. CONROY.—I will substitute "accused" for "criminal." I am using the term only by way of illustration. Persons in that position can always be represented by counsel, and it is right that the Minister should be so represented. He told us six months ago that he could bring forward dozens of instances in support of legislation of this character, and he repeated that statement in introducing the Bill; but he has not yet been able to furnish a single instance. Every one knows the real purpose of the measure. It is not an anti-dumping Bill, but a measure to secure that Mr. H. V. McKay, of harvester fame, shall not have competition to meet. It must be remembered, too, that Mr. McKay carries on his operations in a district in which there is no Wages Board. The great bulk of the Labour Party are so false to their principles that they support this Bill to allow a certain capitalist to increase as he pleases the price of his machines. With the exception of the honorable member for Perth, and one or two others, labour members have given no sign of their intention to support the amendment of the honorable and learned member for Angas, providing that any extra profits made as the result of the measure shall go to the workers, and not to the capitalist. It is pitiable that a large section of honorable members should so dread a dissolution that, at the dictation of the Minister of Trade and Customs, they will swallow whatever legislation he puts before them, even when, as in this case, it will benefit only a few, and greatly oppress the community as a whole. I was

astounded at some of the remarks made by the honorable and learned member for West Sydney this afternoon. He has asserted a thousand times that legislation of this kind is beneficial only to the few, and makes it difficult for the man of small capital to exist. Measures like this always bring about combinations of capitalists which create monopolies, and that will be the effect of the Bill. No thought is being given to the interests of the great bulk of the workers. Now let us see what dumping means. The Minister mentioned the case of sewing machines, and I would ask honorable members whether it would not be of the greatest advantage to our householders if sewing machines could be introduced here, and sold at half the present price. If, on the other hand, a prohibition law were brought into force, the present price would probably be quadrupled, to the detriment of the general public, but to the benefit of one manufacturer who happens to be a friend to the Minister. Even he does not manufacture the machines, in a strict sense of the term, but by a little persuasion he will be able to induce the Minister to place sewing machines on the list of prohibited imports. Sewing machines would be excluded merely because a local manufacturer reported to the Minister that he was being injured by their introduction. No consideration would be given to the hundreds of householders who would gladly buy machines if they could be sold at a reduction upon their present price. I wonder whether the honorable member for Yarra would object if any one attempted to dump a first-class sewing machine, or even twenty sewing machines, into his house. Would he not open his doors as widely as possible, and say, "This is a good thing for me"? If, in addition to doing that, some one were to dump into his house all the clothes that he and his family required, would he not be delighted? If he had no need for such articles himself, hundreds of his poorer brethren would be only too delighted to have many pounds' worth of clothing dumped into their homes. I have a paddock large enough to hold all the goods that could be dumped here from any part of the world, and I should be glad to receive them. I know of thousands of worthy individuals who would be only too glad to select what they required from such a store. If any such dumping operations were entered upon I should be able to confer

great benefit upon my neighbours by making a free distribution of valuable and useful articles among them. I would not keep them for myself, because no man can eat or drink more than a certain amount, nor can he derive any advantage from having an inordinately large stock of wearing apparel. I venture to say that the doctrine which is being preached by Ministers, if carried to its ultimate conclusion, would result in loss to us. Any operations must result in loss, unless they are founded upon the lines of true commercial morality. When I heard the honorable member for Melbourne Ports, who professes to be a Christian, speaking in harsh terms of people in other parts of the world, I felt inclined to apply to him a certain phrase contained in the Bible. Whenever I hear a man who professes the doctrine of Christianity preaching the doctrine of selfishness, I conclude that he must have an utter contempt for the great principles of morality in which he professes to believe.

Mr. MAUGER.—What is the honorable and learned member talking about?

Mr. CONROY.—If the cap fits, the honorable member can wear it. I will guarantee that if the Denton hat mills dumped all the hats they made into his shop, and charged him nothing for them, he would open his door widely enough, and would take care that he did not dump the goods upon any one else without getting something in return. It is utter cant and humbug for honorable members to speak as they have done. Where are these people who are willing to dump their goods upon our markets? All my life I have endeavoured to buy the goods I required as cheaply as possible. If I obtain an article that is worth to me more than I pay for it, I regard myself as an absolute gainer by the transaction. Where is the man who does not take the same view, and who does not act upon that principle in his daily life? If he carried the doctrine of altruism to the extent of utterly ignoring the ego, he would starve in the streets. Therefore, we may regard all this humbugging talk about anti-dumping as an attempt to trick and deceive the great mass of the people into the belief that we are going to do something which will prevent them from being injured, whereas if we could cheapen the imported goods required by them by one-half, we should double the value of the produce which we export in payment for them. Our wheat and our gold would increase in

value two-fold. I can conceive of the joy with which protectionists would view such a state of affairs, and how they would glory in the fact that our products, instead of being worth £40,000,000 were worth £80,000,000. If I could buy for £1 a suit of clothes for which I formerly paid £2, the value of my sovereigns would be increased two-fold. It is because we generally use gold as a measure of value that many persons fall into the mistake of supposing that it is the only measure of value. I would point out, however, that in many cases a workman who receives £2 per week in one place is receiving greater value than a workman who receives £4 in another place. Many of the Bendigo miners who went over to Western Australia found that they were better off in Bendigo with £2 a week than they were at Cue or similar places with £4 per week. Under the dumping provisions of the Bill, it is proposed to stop the importation of certain goods. Unfortunately, as the Bill stands, it will be within the power of the Minister to take the initiative. That is the principle of which I complain more bitterly than of anything else. The Minister, through the Comptroller-General, will set the law in motion. Of course, we are told that the Comptroller-General "when he has reason to believe," will take action. That means that he will have reason to believe when he is told by the Minister that certain action is necessary. The Minister in his turn will "have reason to believe" when a friend of his comes along and tells him that it is necessary to exclude certain goods. The Minister believed what Mr. McKay told him, namely, that the harvesters that were being imported from Canada were being greatly undervalued. So strong was he in this belief that he declined to credit the reports of the Canadian Minister, the sworn invoices which indicated that £36 or £37 was a fair valuation, and also the evidence of his own officer, Mr. Smart. He deliberately set all this testimony on one side, simply because a section of the Customs Act gave him power to use his own discretion. That is what I object to. When that section of the Customs Act was under consideration in this Chamber, I pointed out—because of what had happened in New South Wales—that this very same man, the Minister of Trade and Customs, would take mighty good care to use the power that would be conferred upon him. I did not then point out that two of the

Minister's colleagues in New South Wales had been accused of fraud in connexion with the discharge of their Ministerial duties, because the public were not then so well aware of the facts as they are to-day. I did indicate, however, that the Minister would be the very man to act as I had suggested, and he has done so. The members of the Labour Party are allowing this kind of thing to go on, but they would not have permitted it but for the peculiar circumstances in which they are placed. The sooner this Parliament is dissolved the better it will be for the country, because we cannot expect any sound or honest legislation to be passed whilst the present state of affairs continues. Three years elapsed after my prediction had been uttered before what I had foretold took place. Despite the sworn testimony of the officials in Canada and in Melbourne, and despite the sworn testimony of Mr. McKay himself before the Tariff Commission that his harvesters did not cost him more than about £29 to manufacture, the Minister acted in the way I have described. I was aware that Mr. McKay, when he was endeavouring to induce people to invest money in his business, pledged his word that the cost of manufacturing the machines would not exceed £29 each, and that is why I persuaded a member of the Commission to address the question to him. I do not blame Mr. McKay for having given such a low estimate to those whom he was endeavouring to persuade to invest money in his business, because his statement appears to have been fairly accurate, and he has since admitted that it was perfectly true. In spite of the fact that Mr. McKay could produce harvesters at £29 each, the Minister declined to believe that similar machines could be manufactured in Canada for even £6 or £7 above that cost. An inquiry should certainly have been made as to the grounds upon which the Minister had exercised his power under the Customs Act. It cannot be said that the Minister acted in defiance of the law, because we embodied in the Act the section which places the discretion in his hands.

Mr. ISAACS.—That argument has not much to do with this clause.

Mr. CONROY.—Has it not? It is proposed in this Bill to confer the same power upon the Minister that is given to him by the Customs Act, and I am endeavouring to show that what has happened

under the Customs Act will occur to an even greater degree under the present Bill. Mr. McKay was able to represent matters to the Minister, who readily lent his ear to him, and paid no attention to the fact that Mr. McKay was not subject to the determination of any Wages Board, so far as his treatment of his employés was concerned. If the members of the Labour Party did their duty they would insist upon inserting a clause in the Bill providing that the whole of the extra profits derived by the manufacturer as the result of the exclusion of imported goods should go to the workmen. If that were done we should soon put an end to the log-rolling which is going on.

Mr. HUGHES.—If the honorable and learned member will move an amendment to provide for the sharing of profits amongst the workmen in an industry, I will vote for it.

Mr. CONROY.—Will the honorable and learned gentleman get the rest of his party to vote for it?

Mr. HUGHES.—“Am I my brother's keeper?” I will follow the honorable and learned member if he moves such an amendment, and that should be sufficient for him.

Mr. CONROY. — But what will the caucus do? It is of no use for the honorable and learned gentleman to say that he is in favour of anything if the caucus decides that he should vote the other way.

Mr. HUGHES.—One thing that can be said about our caucus is that we do not sit down when one lion roars, as the honorable and learned member did on one occasion at a caucus, which I could instance if I pleased.

Mr. CONROY.—I wish the honorable and learned gentleman would instance it, for I certainly do not know to what he refers.

Mr. HUGHES.—The one in which the honorable and learned member began to roar, and ended with a feeble little squeak.

Mr. CONROY.—It says much for the persuasive powers, and the oratorical and argumentative ability of the honorable and learned gentleman that, after he had spoken, I should have found myself in full accord with him on the occasion to which he refers, though at first I differed from him. The honorable and learned gentleman should not reproach me with having agreed with him. There is no provision in this measure by which the workers are pro-

tected or considered in any way. When one attacks members of the Labour Party for having departed from the traditions with which they entered public life a few years ago, it is some consolation to know that they have sufficient conscience to feel the sting keenly, and leave the Chamber. Some members of the party are so keenly alive to the position in which they are placed, that, while they never speak in defence of their action, they have grace enough to be ashamed of it.

Mr. FOWLER.—Is the honorable and learned member aware that an amendment has been circulated by a member of the Labour Party, the object of which will be to give the workers some protection under this Bill?

Mr. CONROY.—That is why I have made an honorable exception of two or three members of the Labour Party. I specially exclude the honorable member for Perth from any connexion with the remarks I have just made, because, in my opinion, he deserves the thanks of the bulk of the workers of Australia for the manly stand he has taken in connexion with this measure. The honorable member has protested as far as he could against any taxation of the workers under such a scheme.

The CHAIRMAN.—Will the honorable and learned member make some connexion between his remarks and the amendment?

Mr. CONROY.—I was discussing the clause as a whole.

The CHAIRMAN.—I remind the honorable and learned member that he must now discuss the amendment. When it has been disposed of he will be able to discuss the whole clause.

Mr. CONROY.—What possible objection can there be to the amendment on the part of any honorable member of the Committee? The Attorney-General tried to show that we gain nothing from the open markets of Great Britain. I hold strongly that the reason why Great Britain is amongst the first of the nations to-day, and occupies the premier position in commerce, is simply and solely because she has done away with all restrictions on her trade. Yet, I say that none the less we are bound to recognise the advantages we gain from the position she has taken up. The Attorney-General asked, "Where is the preference to us?" I put this question to the honorable and learned gentleman: Suppose, for instance, that Mr. Chamberlain had been successful during

the recent elections in Great Britain, and had been able to impose a heavy Tariff, would he not admit that the extension of the open market to us by England, would have been a preference so great and so valuable, that we should have had to buy it if we could not have obtained it in any other way? I think that the honorable and learned gentleman must admit that he would.

Mr. FRAZER.—Has Great Britain given us the open door out of consideration for us, or in her own interests?

Mr. CONROY.—In my opinion, it has been not only to her interests, but in the interests of the world.

Mr. FRAZER.—For whose interest was it intended?

Mr. CONROY.—It was following the doctrine of unselfishness, the great moral doctrine, "Love your neighbour as yourself." Look at the results which have followed the practice of this doctrine. It may be that the people of Great Britain are not more strong, vigorous, and upright, than are those of other nations, but they are now better fed than they were, because the products of the world are open to them.

Mr. FRAZER.—The result is that they are going to change their practice as soon as possible.

Mr. CONROY.—If so, it will be to the injury of the great masses of the people there. I admit that this amendment might, perhaps, be required in another place if the great barons and landlords of England had had their way, and if, through Mr. Chamberlain, they had been able to persuade the masses to adopt their policy, and to impose taxation for the benefit of the landlords. I have yet to learn that many of the Labour Party in Australia are prepared to follow such a doctrine as that. I admit that the spirit of serfdom influences men for years, and even for centuries, after the real conditions of serfdom have passed away. The spirit of cringing is sometimes so strong in men, that if you take from them the landlord, they will put a manufacturing lord in his place, because they must crawl and cringe to somebody. We are, however, hopeful that we are getting away from such a condition of things, and that there is a sufficient body of men animated by the spirit of freedom to try and keep open markets everywhere.

Mr. WILKS.—Did not the Attorney-General fight like a rat caught in a trap just now?

Mr. CONROY.—The honorable and learned gentleman did not answer the question raised in this connexion at all. He said that we would have an opportunity to vote upon this matter, but why not now? The opportunity presents itself in this Bill, and why not take this the first and earliest opportunity of dealing with it? Can any valid reason be assigned against our doing so? Will the Attorney-General say that the amendment is inconsistent with the provisions of the Bill, or that it is out of order to introduce such an amendment here?

The CHAIRMAN.—The amendment is already before the Committee.

Mr. CONROY.—The Attorney-General says that he cannot accept it, and, in an advocate's argument he puts forward as a reason that at some future nebulous time, which even he does not mention, we shall be enabled to deal with the question in another place.

Mr. FRAZER.—Does the honorable and learned member say that British monopolists are preferable to American monopolists?

Mr. CONROY.—I do not say that monopolists are preferable to anybody, but what I do say is that, whilst the Australian monopolist would have absolute control of the market under the prohibition of importations, the British monopolists would have to compete with the American and Canadian monopolists. I might illustrate the position by reference to what occurred when we were dealing with the subject of the duty upon blankets, and an attempt was made to impose a heavy duty. Honorable members may not be aware that at the time the supply of blankets in Australia was so short that the manufacturers were unable to meet the demand, and, though mills were working full time and overtime, they were obliged in many cases to forfeit a certain amount of money because they were unable to fulfil their contracts. Cables had to be sent Home for blankets that the people might be supplied with them for the winter. The same kind of thing might happen frequently if this clause were allowed to go through as it stands. Why should not this amendment be accepted, when it overcomes all the difficulties which have been suggested? There can be no allegation of dumping by any British manufacturer in Australia. I ask for the name of one man in Great Britain or in America who wants to dump goods in Australia? I should be

prepared to pay the duty in every case, provided I were not asked for anything more. Even though I did not want the goods, I am sure I would be able to distribute them amongst the hundreds of people I know. Times have not been so good everywhere that men have not felt a little of the pinch of want. Honorable members opposite speak as though a continuous supply of goods at a moderate price would be a manifest injury to them. Are we never to consider the consumer? Honorable members should remember that, according as a man pays less for some articles he requires, he has the more to spend in the purchase of other articles. The result of cheap production in the one line is to increase the demand for labour for production in other lines. Instances of this are numerous. We have only to look at the development which has taken place in the last seventy or eighty years, during which the rise in wages has been one hundred-fold, and the price of the general run of articles, that is to say, the cost of living, has decreased by nearly one-half. Let honorable members consider what an enormous difference that has made to the great mass of the people. After all, I presume that it is not intended to apply these so-called anti-dumping provisions unless goods are brought in in great profusion. If goods are imported in that way it will be only because they are largely demanded, and because the mass of the people use them. That is so self-evident that one feels rather pained to have to repeat it so often. The necessity for doing so can only be attributed to the absence of study of a few simple economical principles, which after all are only called economic laws because they are the result of the experience of mankind. What is theory but the explanation of the relation which facts bear to one another? Economic laws are so termed because they are sound and solid explanations; and when they cease to explain they cease to exist. Those who fail to recognise that the Bill will place a most serious weapon in the hands of the Minister fail to recognise what, to my mind, seems beyond question. The amendment submitted would have the effect of minimizing the evil effects of the Bill, and every honorable member who believes in preferential trade should heartily support it. If my reading of preferential trade be correct—namely, that the other fellow shall

always give the preference to me—there need be no Act of Parliament, and every one may subscribe to the amendment. If the Prime Minister, who often talks about preferential trade, were to accept the amendment, he would be doing something more solid that he has ever done before to promote that cause. The Prime Minister, however, has never made any attempt beyond speechifying to give practical realization to his proposals. His idea has always been rather to increase duties against the foreigner, than to lower duties as against England; in fact, to practice another fraud on the public. Trade is carried on only because men gain by it, and yet it is contended that a number of laws are required to regulate trade. Before Federation, if any one had sent £10,000 worth of goods from Victoria to the honorable member for Riverina, would he, staunch protectionist as he is, have declined them on the ground that they represented dumping? If to-morrow the honorable member were offered goods at half their value, would he insist on giving twice the price asked?

Mr. CHANTER.—Let the honorable member try me with a thousand sheep!

Mr. CONROY.—I am afraid the honorable member would regard such a proceeding, not as dumping, but as a friendly action. If I would not dump goods in that way down at the door of the honorable member, whom I know, how much less likely are people of other nations, who do not know him, to do so.

Mr. SALMON.—How would the honorable member like cheap law in New South Wales?

Mr. CONROY.—I have been struggling in New South Wales for cheap law, and I hope to do something to that end in this Parliament by supporting the appointment of a couple of additional Judges. Why cannot the Minister accept the amendment? The Attorney-General says that we may be asked to deal with the matter in another place. That, I suppose, would be after the election, and the talk would go on election after election. The Prime Minister, as a member of the Coalition Party, two or three years ago made a similar proposal, and asked that time should be set aside for its consideration. The honorable gentleman has been Prime Minister now for twelve months, and yet he is not one whit further advanced, and there is not much hope of anything in this direction for him. With

all the time the Minister of Trade and Customs has had at his disposal, he is not able to find a case of a British manufacturer dumping goods in Australia. True, the honorable gentleman has said something about sewing machines, as if it would be a bad thing if the value of these articles were reduced throughout Australia.

Mr. WATSON.—How much are women paying for sewing machines now that they are free of duty?

Mr. CONROY.—I am told that the cost of distribution is fairly heavy. Of course, if sewing machines are bought on time payment—

Mr. WATSON.—No, for cash.

Mr. CONROY.—In some of the big stores of Melbourne and Sydney, sewing machines can be obtained at fairly reasonable prices. If the present prices are too high, how much more injurious would be the effect if they were raised two-fold or three-fold?

Mr. WATSON.—The honorable and learned member ought to know that the landed cost of sewing machines is not one-fifth of the price at which they are sold.

Mr. CONROY.—The honorable member is, I think, making a mistake.

Mr. WATSON.—I can give documentary evidence in proof of my statement.

Mr. CONROY.—The prices of sewing machines vary very much. I have seen prices from 17s. 6d. to £7.

Mr. WATSON.—Sewing machines landed at £2 are sold at £10.

Mr. CONROY.—That is a very fine profit, and the honorable member ought to engage in the trade.

Mr. WEBSTER.—That is no answer.

Mr. CONROY.—It is an answer, because, if there is that profit, thousands would be glad to engage in the business.

Mr. WATSON.—Reapers and binders were in the same position.

Mr. CONROY.—That was when there was a limited supply, and before it was certain whether those reapers and binders would take the market.

Mr. WATSON.—That was the case for years after the reapers and binders got the market.

Mr. CONROY.—But when competition came, how quickly the prices were brought down. If competition had been shut out, the prices would have been much higher to-day. If the power proposed be given to the Minister, it will rest entirely with him whether improvements shall be introduced. The treatment we receive from England is beneficial to England herself, because under her present policy, she has prospered more than any similar country in the world. That is all due to the spirit of freedom; and the nation which most freely trades with us, is the nation in regard to which we might deservedly make a favorable exception. If the Attorney-General is correct that these clauses will not often be applied, there is all the more reason for accepting the amendment. On the other hand, if the clauses are meant to be largely applied, there is ground for exemption in favour of British manufacturers. We derive great benefit from the fact that the mantle of the British Empire is thrown over us; but for that protection we could not have carried out some of our legislation in regard to aliens. It would ill become us to do anything that might cause that protection to be removed. Trade, of course, does not always follow the flag, because in these days men are learning to trade where it pays them best. We trade with England on that ground, and to a large extent, the same principle animates England herself. Under the circumstances, it would ill become any one who desires the preservation of the Empire to do anything to weaken the bond of union in the slightest degree.

Mr. SALMON (Laanecoorie) [10.28].—The honorable member for North Sydney made a somewhat impassioned appeal to us to recognise the generous treatment meted out to us, as citizens of the Empire, by the mother country. That is an appeal that will never be made in vain to me; I have always recognised the deep debt of gratitude we owe to the mother country. But I cannot see that on the present occasion there is any justification for such an appeal on the part of the honorable member to any one who, like myself, is truly patriotic.

Mr. WILKS.—New Zealand exempts British products.

Mr. KELLY.—That is an inconvenient interjection for the honorable member for Laanecoorie.

Mr. SALMON.—I would rather not have any impertinent interjections. When the honorable member for North Sydney was speaking, I interjected because he was making statements which I thought very remarkable from one who is regarded, and correctly so, as a commercial authority. The honorable member desired to point out that certain products sent to England from Australia had a prejudicial effect on the British producer, in driving him out of his own home market. The honorable member gave several instances, and I challenged him on one, namely, the butter industry. We realize that Australia and other parts of the Empire have done a great deal in supplying the wants of British consumers in this particular article. But I do not think the honorable member for North Sydney was justified in his statement that the Australian butter-maker is thrusting the English butter-maker out of his home market. I have since consulted the last returns.

Mr. DUGALD THOMSON.—What I said was that the returns showed that that was not entirely so.

Mr. SALMON.—According to my recollection, the honorable member said at first "wholly," and then "almost." On consulting the last return presented to both Houses of Parliament in the old country, I find that the quantity of butter sent from the British Possessions as a whole—I am dealing not only with Australian butter, because I take it that the matter really affects the whole of the Possessions of the mother country, and that it has a direct bearing on the ratio of the amount sent from European countries—was in 1901 631,985 cwt.; whilst the quantity sent from foreign countries was 3,070,905. In 1902 the quantity sent from British Possessions was 525,035 cwt., and from foreign countries 3,449,898 cwt. In 1903 the quantity sent from British Possessions was 557,828 cwt., and from foreign countries 3,502,866. In 1904 we were recovering from the drought years.

Mr. DUGALD THOMSON.—The figures already quoted included the drought years.

Mr. SALMON.—I am quoting the figures for the five years which were available in the return which I have mentioned. I am not omitting any item which I believe would have any effect on the calculation.

Mr. DUGALD THOMSON.—But the fact is that there were drought years.

Mr. SALMON.—Really that argument does not affect the sum. The honorable member will see exactly where the difference comes in. In 1904 the importations of butter from British Possessions ran up to 1,045,758 cwt., and from foreign countries the imports fell to 3,195,207 cwt. There was an increase of imports from British Possessions, and a relative decrease of imports from foreign countries. In 1905 the imports from British Possessions totalled 1,054,209 cwt., and there was almost a relative diminution from foreign countries—3,093,657 cwt. It was not the British producer who was affected by this particular product being sent from Australia and other British Possessions to England, but the foreign producer—that foreign producer for whom, I am rather sorry to say, my honorable friends opposite seem to be solicitous on all occasions.

Sir WILLIAM LYNE (Hume—Minister of Trade and Customs) [10.35].—It appears that there is not much chance of the debate on this amendment finishing to-night. But I ask honorable members to allow us to come to a division early to-morrow. I understand from the honorable member for North Sydney, who has consulted with honorable members opposite, that an effort will be made to prevent a vote on this clause being unduly deferred. Under these circumstances, I move that progress be reported.

Progress reported.

INTER-PARLIAMENTARY UNION.

Mr. SPEAKER.—The House will remember that a short time since the Prime Minister intimated that he had received a telegram from the Inter-Parliamentary Union with reference to a meeting of various Parliaments to take place in Great Britain shortly. I have to-day received by mail the formal invitation extended to all members of the Commonwealth Parliament to take part in that gathering.

SPECIAL ADJOURNMENT.

Mr. DEAKIN (Ballarat—Minister of External Affairs) [10.37].—I desire, by leave, to move a motion with reference to our sitting on Thursday next. Honorable

members have received an invitation for Thursday afternoon. It will, of course, rest with them whether they accept it or not. Doubtless there will be sufficient honorable members to continue the business of the House on Thursday, but to provide against accident, I desire to move that the House shall sit at half-past seven as well as at the usual hour. The result will be that if through any misadventure we should lack a quorum at any time on Thursday afternoon, Government business will come on as usual at half-past seven. Under the special circumstances, I hope that leave will be given to me to move that motion.

Leave given.

Motion (by Mr. DEAKIN) proposed—

That the House, on Thursday next, sit at half-past seven, as well as at half-past two o'clock.

Mr. CONROY.—Does that mean that Thursday will count as two sitting days?

Mr. DEAKIN.—No. It simply means that Government business will be taken at the usual time if there has been no count out.

Mr. CONROY.—So that there will not be five sittings in one week?

Mr. DEAKIN.—Not in that case.

Mr. THOMAS (Barrier) [10.39].—It seems to me to be a pity that we cannot adjourn until half-past seven o'clock on Thursday. If it is determined that we shall sit at half-past two, it will prevent Mr. Speaker, and, probably, the members of the Ministry, from going to Queenscliff to see the wireless telegraphy inaugurated. Mr. Speaker and the officials will have to come here at half-past two o'clock instead of half-past seven.

Mr. DEAKIN.—I will try to-morrow to ascertain the wish of the House.

Mr. THOMAS.—I am interested in some private business standing on the paper on Thursday, but I am prepared to give way in order to allow honorable members to go to Queenscliff.

Mr. HUTCHISON (Hindmarsh) [10.40].—The motion of the Prime Minister places some of us in an awkward position. On Thursday's business-paper there is a question as to which I should like to have something to say. If that business is gone on with in my absence there may not be another opportunity open

to me. While I should like to accept the invitation to go to Queenscliff on Thursday, I should not like to lose my chance to speak on the matter to which I refer. I think it would be better for the House to adjourn until half-past seven.

Mr. DEAKIN.—I will make an effort to ascertain the wish of honorable members tomorrow.

Question resolved in the affirmative.

ADJOURNMENT.

POSTAGE OF OPALS: MAIL CONTRACTOR'S REMUNERATION.

Motion (by Mr. DEAKIN) proposed—

That the House do now adjourn.

Mr. THOMAS (Barrier) [10.41].—I desire to bring under the notice of the Postmaster-General a matter relating to the postage of opals from Australia to America. I am informed by the Post and Telegraph Department that we cannot send opals through the post to a greater value than £10. I have been informed by the opal buyers at White Cliffs that while they are unable to send opals from Australia to America by parcels' post to a greater value than £10, they can send them to England to a much higher value. The people at White Cliffs are extremely anxious to develop in America as well as in Germany a trade in opals. I understand from what I am told, that they are hindered in that respect now. They are very anxious, however, that the American market should be open to them. I have already made representations to the Post and Telegraph Department with reference to this matter, and I understand that the fault does not lie with Australia, but that it is a regulation of the American Postal Department that opals to a greater value than £10 cannot be sent there from Australia. I wish to know whether the Postmaster-General is prepared to make representations to the American Government in order that opals may be sent through the parcels' post direct from Australia to America in the same way as they can be sent *via* England to America?

Mr. AUSTIN CHAPMAN (Eden-Monaro — Postmaster-General) [10.44].—The honorable member for Barrier was good enough to give me notice of his question, and I wish to say in answer to him that some months ago he brought the matter under the notice of the Department,

and we have been endeavouring to bring about a better arrangement both in the interests of America and of Australia. At the present time we have a convention with the United States, which prevents parcels of a greater value than £10 being sent to that country. Owing to the representations of the honorable member, I discussed this and other matters with the representatives of the United States at the recent Postal Congress in Rome, and I believe that our conversation will help materially in arriving at better arrangements. A further effort will be made on our part to point out that this, and other matters, might be placed on a very much better footing. There appears to be a disposition on their part now to meet us, especially as it seems that it would result in benefit to both countries. I shall give every attention to the further representations of the honorable member, and place the facts he has submitted before the American Postal Department, with a view to seeing whether something cannot be done to meet his wishes, and to supply a convenience, not only to his constituents, but also to many other persons in the Commonwealth who desire to send parcels of greater value to the United States.

Mr. WILSON (Corangamite) [10.46].—I desire to bring a small matter under the notice of the Postmaster-General, and to correct a mistake which I made when speaking on the Supply Bill. I refer to the case of a man who has a contract for carrying mails to and from a post office in the Western District. He has to make four trips a day from the township to the station; in other words, he has to travel the distance at least eight times a day; and for this service he gets the munificent sum of 7s. 6d. per week. I think that the Postmaster-General might well institute an inquiry, and see if something better cannot be done for the man.

Mr. HUTCHISON.—Other honorable members have cases of sweating to complain of.

Mr. WILSON.—No doubt other honorable members know of cases which are equally bad, but this is a case in which representations have already been made here, and I hope that it will be looked into by the Minister, to whom I shall be glad to give further details later on.

Question resolved in the affirmative.

House adjourned at 10.47 p.m.

House of Representatives.*Wednesday, 11 July, 1906.*

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

WARRNAMBOOL FIELD ARTILLERY.

Mr. WILSON.—I wish to know from the Minister representing the Minister of Defence, if he has any further information to give to the House with respect to the position of the men who have been dismissed from the Warrnambool battery?

Mr. EWING.—I have received no information about it since yesterday, when the Minister of Defence told me that he had not finally decided what action he would take in the matter. I shall endeavour to ascertain to-day how their case stands.

ELECTORAL DIVISIONS.

Mr. CHANTER.—Can the Minister of Home Affairs say when the new electoral divisions will be proclaimed?

Mr. GROOM.—All is in readiness for their proclamation this week, and, with a view to having everything as complete as possible, we have arranged for the proclamation of the various polling places at the same time. It is not intended to change any of the existing divisional names in Queensland, but the new division which has been created in New South Wales out of Bland and Canobolas will be called Calare. The proposed names in Victoria will be retained.

Mr. MAHON.—What about Western Australia?

Mr. GROOM.—The existing names will be continued.

COLLECTION OF ROLLS.

Mr. HUGHES.—Can the Minister of Home Affairs give us the approximate date on which the police will have collected the rolls for the urban districts of New South Wales?

Mr. GROOM.—There are rolls already in existence, but the police are collecting new names with the object of bringing them up to date. I understand that the urban rolls will be completed first, and, immediately all the names are in, the printing will commence.

[41]

Mr. HUGHES.—Is it the intention of the Department to make the existing rolls the basis of the new rolls?

Mr. GROOM.—The present rolls are legally in existence, and the police have been asked to collect the names of all those whose names do not appear thereon, but who are entitled to vote.

IMPERIAL DEFENCE COMMITTEE'S RECOMMENDATIONS.

Mr. KELLY.—Has the report of the Imperial Defence Committee yet arrived? If it has, I should like to know whether the Government will afford the House an opportunity to discuss it, and, if so, when?

Mr. EWING.—The report has arrived, but, as it is regarded as a confidential document, I cannot answer the honorable member's second question until serious consideration has been given to the matter.

Mr. KELLY.—Is it proposed to act on the recommendations of the Committee in regard to an Australian navy, or will the Government follow other advice in dealing with that matter?

Mr. DEAKIN.—The report reached us yesterday, but it has not yet been read by members of the Government, and I cannot answer the honorable member's question until it has been considered in Cabinet.

LAUNCESTON RIFLE RANGE.

Mr. STORRER.—Can the Minister of Home Affairs inform me what stage the work in connexion with the Launceston Rifle Range has reached?

Mr. GROOM.—Tenders are now being called.

BRISBANE POST OFFICE.

Mr. CULPIN.—When will the Postmaster-General be in a position to call for tenders for the proposed alterations in the Brisbane Post Office?

Mr. AUSTIN CHAPMAN.—I shall be very glad to inform the honorable member to-morrow.

FEDERAL CAPITAL SITE.

Mr. FRAZER.—Is it the intention of the Government to introduce this session a Bill to more definitely determine the area of the future seat of Government?

Mr. DEAKIN.—Yes.

Mr. JOSEPH COOK.—I understand that it is proposed by the Government of New South Wales that a visit of inspection

shall be made to some suggested new sites. If that inspection is to be made, it should be made soon, if anything is to be done in the matter this session. Therefore, I should like to know if the Prime Minister has any proposal to make in regard to the matter. If so, will he state it?

Mr. DEAKIN.—The Premier of New South Wales, in an invitation extended to the members of both Houses, makes two proposals—for a joint visit, enabling honorable members to inspect all the sites now offered, and, if they think fit, the Dalgety site as well, the alternative being to view these sites during two week-end visits. This Government would prefer the latter course, as causing less delay in the transaction of public business. The Minister of Home Affairs is now ascertaining exactly what time would be required for either programme, and that information, when available, will be submitted to honorable members informally, so that we may take the sense of the majority.

Mr. JOSEPH COOK.—Will this be done as speedily as possible?

Mr. DEAKIN.—It is being done now.

Mr. HUTCHISON.—Does not the Prime Minister think that it would be better to determine the area of the Federal Capital Site before making further visits of inspection?

Mr. HIGGINS.—That has been determined.

Mr. DEAKIN.—The honorable member no doubt refers to the proposed further determination of the site by metes and bounds. I think that it will be more courteous for those who wish to accept the invitation of the Premier of New South Wales to visit the new proposed sites before they determine finally the area of the site chosen.

Mr. HIGGINS.—Will those who accept the invitation of the Premier of New South Wales be regarded as having committed themselves to the re-opening of the whole question?

Mr. DEAKIN.—That implication could not properly be drawn from an acceptance of the invitation.

USE OF DRILL HALLS FOR POLITICAL MEETINGS.

Mr. CHANTER.—I wish to ask the Minister of Home Affairs, in view of the refusal of the Department to allow the leader of the Opposition to use a drill hall in Queensland for a political meeting, if

it is not a fact that other honorable members have solicited the use of similar rooms for charitable purposes, and that their requests have been refused?

Mr. GROOM.—It is a fact, the general rule of the Department being that drill halls shall not be used, except for the purposes for which they have been set apart. This rule applies to all public buildings under the control of the Commonwealth, and the use of such buildings has been refused to religious denominations, private charities, and hospitals. One of the most recent applications was for the use of a hall for a dog and poultry show, but it was refused. All these applications are treated alike.

Mr. HENRY WILLIS.—Is it not a fact that the Premier of Victoria delivered his prepositional address at a public meeting held in the drill hall at Brighton, and has not the same hall been subsequently used for some public purpose other than that for which it was set apart?

Mr. GROOM.—I have no information on the subject. No application was made to the Department for the use of that hall.

Mr. HENRY WILLIS.—I was present at the meeting.

Mr. JOSEPH COOK.—I take no exception to the rule of the Department in this matter, but, as the subject has been raised, I wish to know if it is true, as from the newspaper reports it would appear to be, that there was an abrupt cancellation of an engagement made on behalf of the Minister in connexion with the use of the Bundaberg hall.

Mr. GROOM.—The first intimation I had that the hall was required was contained in a telegram which I received just prior to the meeting of the House, on the afternoon of the day on which the meeting was to be held, and instructions were immediately given that an urgent telegram should be sent to Bundaberg, not through the official channel, but directly, in order to save time, saying that the hall could not be used.

Mr. JOSEPH COOK.—Does the Minister know whether the hall had been let?

Mr. GROOM.—I know nothing of the matter, except that I received a telegram between 2 and 2.30 p.m. from an officer of the Defence Department, informing me that the Mayor desired to hold a meeting in the drill hall that night. That was the only notification which we received. It may have been previously announced that

a meeting would be held there, but no application was made to me for the use of the hall. The telegram was dealt with immediately it was received, instructions being given to forward an "urgent" reply.

Mr. PAGE.—I should like to know from the Minister why he allowed the Brighton drill hall to be used by the Premier of Victoria, and would not allow the Bundaberg hall to be used. Why was one application granted and the other refused?

Mr. GROOM.—I previously informed honorable members that no application was received, and no permission given for the use of the hall at Brighton. However, I shall make inquiries and ascertain the facts.

Mr. TUDOR.—Will the Minister ascertain whether the drill hall at Brighton is at present under the control of the Defence Department?

Mr. GROOM.—I shall make the necessary inquiries.

Mr. KING O'MALLEY.—I wish to ask, whether, in view of the fact that these drill halls belong to the people, the Minister will at once issue an order that any honorable member can have the use of a hall if he is willing to pay for it.

Mr. GROOM.—The general policy that is now being followed in connexion with the drill halls has been observed by the Department of Home Affairs from the beginning. It was confirmed by my predecessor, and there are many grounds upon which it can be justified. I am not prepared at this stage to say that I shall set it aside.

Mr. DAVID THOMSON.—Let candidates and others address open air meetings as we do.

PAPERS.

MINISTERS laid upon the table the following papers:—

Statement showing the amounts of the three lowest tenders for a mail service to Europe.

Ordered to be printed.

Proposed regulations under the Commerce Act in connexion with the butter, cheese, meat, and fruit industries, and the resolutions of a conference of official and trade representatives.

PUBLIC SERVICE: APPEAL BOARDS.

Mr. HUGHES asked the Minister of Home Affairs, *upon notice*—

1. Whether the decisions of the Appeal Boards acting under the Commonwealth Public Service Act are exclusively determined by the evidence given before the Board at the hearing at which the appellant is or might have been present?

[41]—2

2. If not, what other facts or circumstances modify or determine the decision?

Mr. GROOM.—The Public Service Commissioner furnishes the following replies:—

1. The Appeal Boards determine their own procedure, but their recommendations are based on the evidence given before them, combined with the effect which such recommendations will have upon the service.

2. It is not possible to specify all the factors operating in the minds of the members of Boards of Appeal in arriving at their decisions other than what is above-stated.

IMMIGRATION RESTRICTION ACT: CHINESE IMMIGRANTS.

Mr. CHANTER asked the Prime Minister, *upon notice*—

1. Has his attention been directed to the following extract from the *Age* newspaper of the 9th inst. :—

"Chinese Immigrants.—Alleged Federal Concession.

"Sydney, Sunday.

"A few days ago Mr. Yee Hing, president of the Sydney Chinese Merchants' Association, received letters and newspapers from Hong Kong to the effect that at a banquet tendered by the merchants of Hong Kong to Mr. Frederick Jones, Commercial Agent in the East for Queensland, that gentleman informed the gathering that he had been authorized by the Federal Premier to issue exemption permits to five classes of Chinese desirous of visiting Australia, a piece of news that naturally was received with much satisfaction by the large and representative gathering.

"A leading Chinese newspaper, published in Hong Kong, states that the concession will go a long way towards building up a huge trade between Australia and China, as hitherto Chinese merchants did not care about opening up commercial relations with a country whose laws were specifically directed against their countrymen. A peculiar part of the whole business is that Chinese in Sydney knew nothing whatever about the concession being granted, and are now seeking official confirmation of it. The concession has been enjoyed by Japanese, and Chinese merchants here have been preparing a memorial to Mr. Deakin, asking that similar privileges might be extended to their compatriots."

2. Will he inform the House what are the classes of Chinese referred to, and the reasons for their special exemption?

Mr. DEAKIN.—The answers to the honorable member's questions are as follow:—

1. Yes.

2. No change has been made in the certificates of exemption, and no new classes of Chinese have been added to those admitted to the Commonwealth.

On the recommendation of Mr. Jones, or other accredited agent of a State, Chinese merchants, officials, tourists, and students, who are visiting Australia, obtain certificates of exemption covering the period of their stay.

FARMERS AND COUNTRY DISTRICTS TELEPHONES.

Mr. MAHON asked the Postmaster-General, *upon notice*—

1. Has the recent address of Mr. Hesketh, Chief Electrical Engineer to the Department, delivered before the Chamber of Agriculture, at Sale, on the subject of "Farmers and Country Districts Telephones," been printed?

2. In view of the importance of the question treated by Mr. Hesketh, does the Minister not think it advisable that honorable members should be furnished with a copy of the address?

Mr. AUSTIN CHAPMAN. — The answers to the honorable member's questions are as follow:—

1. The address referred to has not been printed.

2. A copy of the address has not yet been typed and submitted to the Postmaster-General; this will be done in a day or two, and if, after perusal, he considers that it should be printed for the information of honorable members, that course will be followed.

TELEGRAPH OFFICES: TIME OF CLOSING.

Mr. POYNTON asked the Postmaster-General, *upon notice*—

As the Government is considering the necessity of bringing all States into line with regard to the time of closing telegraph offices, why is the State of South Australia, which was only out of line with the eastern States for one day (Saturday), singled out, while two other States, which close at six p.m. during the whole of the week, are not interfered with?

Mr. AUSTIN CHAPMAN.—The answer to the honorable member's question is as follows:—

The practice with respect to closing telegraph offices cannot be said to absolutely agree in any two States, and no attempt has yet been made to insure uniformity in this respect. The alteration referred to was made in order that the hours of closing in South Australia on Saturday should be the same as on other week days, as it was found that closing earlier on that day had led to some inconvenience, and in all other States the hours of closing on Saturday are the same as on other week days.

SUGAR EXCISE.

Mr. CULPIN asked the Minister of Trade and Customs, *upon notice*—

1. What is the amount of Excise derived each year since the inception of the Commonwealth from the sugar industry in Australia?

2. How has the Excise been distributed to each State?

3. What is the amount of sugar bounty paid each year since the inception of the Commonwealth by each State?

4. What were the respective amounts paid each year to Queensland sugar-growers in respect to bounty?

Sir WILLIAM LYNE.—The answers to the honorable member's questions are as follow:—

1.—1901-2	...	...	£192,021
1902-3	...	...	261,517 *
1903-4	...	...	272,117 †
1904-5	...	...	503,627 ‡
1905-6	...	...	535,948

State.	1901-2.	1902-3.	1903-4.	1904-5.	1905-6.
	£	£	£	£	£
N.S.W.	119,004	168,952	106,646	183,335	183,457
Vic.	40,009	10,715*	Dr. 2,307†	163,247‡	149,119
Qld.	10,667	61,523	73,634	70,576	98,087
S.A.	Dr. 130	1,332	1,413	34,626	45,923
W.A.	9,098	7,294	18,464	30,980	31,341
Tas.	12,095	13,701	14,267	20,863	28,071

NOTES.—* Does not include £16,000 paid into Trust Fund.

† Does not include £34,000 paid into Trust Fund.

‡ Includes £60,000 collected in previous years and held temporarily in Trust Fund.

3.—

State.	1902-3.	1903-4.	1904-5.	1905-6.
	£	£	£	£
N.S.W.	21,999	33,005	44,404	54,514
Victoria	18,923	27,953	36,879	44,530
Queensland	8,003	11,921	15,895	19,296
S.A.	5,743	8,528	11,356	13,821
W.A.	3,378	5,248	7,383	9,310
Tasmania	2,781	4,151	5,491	6,618

4.—

1902	...	£24,493	...	1904	...	£85,302
1903	...	50,652	...	1905	...	111,857

POTATO BLIGHT IN NEW ZEALAND.

Mr. KENNEDY asked the Minister of Trade and Customs, *upon notice*—

1. Is he aware of the prevalence of blight in the potato crop in New Zealand?

2. Is he aware that New Zealand potatoes are at present prohibited entry into Victoria, Tasmania, and Queensland, whilst admitted without restriction into South Australia?

3. Will he cause inquiry to be made and, if necessary, obtain uniformity where necessary to prevent the introduction of noxious diseases or destructive pests?

Sir WILLIAM LYNE.—The answers to the honorable member's questions are as follow:—

1. Yes; it was incidentally referred to by the late Premier of New Zealand when here.

2. No.

3. Yes; but at present the prohibition of diseased plants depends upon the State laws. It is expected, however, that the operation of a Commonwealth Quarantine Act, and incidentally of the Commerce Act, will prevent the introduction of diseases or pests affecting plants.

JUDICIARY BILL.

In Committee:

Motion (by Mr. ISAACS) proposed—

That it is expedient that an appropriation of money be made for the purposes of a Bill for an Act to amend the Judiciary Act 1903.

Mr. JOSEPH COOK (Parramatta) [2.53].—I should like to know whether the Attorney-General will lay upon the table the correspondence which has passed between himself and the Chief Justice of the High Court, with regard to the matter dealt with in the proposed Bill?

Mr. ISAACS.—I laid the papers on the table last night.

Mr. JOSEPH COOK.—I think that it is desirable that they should be printed.

Mr. ISAACS.—I have no objection to adopting that course.

Mr. GLYNN (Angas) [2.54].—I should like to know whether the Attorney-General will supply information—if it is not already contained in the papers—as to the number of cases which have been dealt with by the High Court in its original jurisdiction, as well as in its appellate jurisdiction, so that we may see what class of business has principally engaged the attention of the Court.

Mr. ISAACS.—I think that most of the information desired is included in the papers—that is, so far as it is obtainable at present.

Question resolved in the affirmative.

Resolution reported and adopted.

Motion (by Mr. ISAACS) agreed to—

That the papers laid on the table last night be printed.

AUSTRALIAN INDUSTRIES
PRESERVATION BILL.

In Committee: (Consideration resumed from 10th July, *vide* page 1199).

Clause 12 (as amended)—

In this Part of this Act—

“Justice” means a Justice of the High Court;

“The Comptroller-General” means the Comptroller-General of Customs;

“Imported goods” and “Australian goods” include goods of those classes respectively, and all parts or ingredients thereof;

“Produced” includes manufactured, and “Producer” includes manufacturer;

“Trade” includes production of every kind.

Upon which Mr. DUGALD THOMSON had moved by way of further amendment—

That after the word “thereof,” line 8, the words, “but do not include goods imported from and the product of the United Kingdom” be inserted.

Mr. KELLY (Wentworth) [2.55].—I heartily in accord with the amendment ably proposed by the honorable member for North Sydney. Any one who listens to the honorable member must have recognised the full force of his proposal. So honorable members might possibly cavil at the fact that a Minister other than the one in charge of the Bill replied to the arguments of the honorable member. For my part, however, I recognise the peculiar difficulties attaching to the position of a Minister of Trade and Customs in this connexion. The amendment is practically an invitation to the Government to prove the value of their protestations in favour of preferential trade. For some reason or other, the Minister of Trade and Customs was not prepared to accept the proposal, but, at the same time, he found it inexpedient to actively oppose it. I can picture to myself the visions which must have floated before the imagination of the Minister of Trade and Customs—visions of the great audiences which he has recently addressed upon the question of preferential trade, and remembrances of the rhetoric which he employed. I can understand the very natural difficulty he would have felt in rising to resist the amendment. He preferred to leave one of his colleagues to shoulder his responsibilities in that regard. What was more fitting and proper than that the Attorney-General should step upon himself to reply on behalf of the Minister of Trade and Customs? He was always at the Minister's elbow helping him out of his difficulties.

Mr. ISAACS.—He is never in difficulties.

Mr. KELLY.—The Attorney-General is always here to look after the Minister of Trade and Customs, who has sadly required his fostering care. Unlike other Ministers, the Attorney-General, having been in such close touch with the members of the Labour Party, has never traded on Imperial sentiments, and was therefore better able to consistently oppose the amendment. While complimenting the Government upon their choice of a mousetrap piece, I cannot congratulate them upon the special pleading to which the Attorney-General treated us. I use the term advisedly, and in no offensive sense. The honorable member for North Sydney had urged the acceptance of the amendment upon the ground of gratitude to the mother country. He had urged it in the name

preferential trade, and he had cited a precedent to strengthen an already overwhelming case.

Mr. WILKS.—Do not forget the Treasurer?

Mr. KELLY.—I shall deal with the right honorable gentleman shortly. Did the Attorney-General, in his reply, show that the precedent established in New Zealand is one which is inapplicable in this case? Did he endeavour to prove that the New Zealand situation was in any way different—so far as the experience of dumping is concerned—from the Australian situation? He did not. It would have been futile for him to attempt to do so, because throughout the whole of this discussion the Minister of Trade and Customs has accepted it as an axiom that if dumping of a certain character is taking place in New Zealand, dumping of a similar nature is occurring in Australia. He has all along urged that the precautions which have been adopted in New Zealand should be observed in Australia. That being so, the Attorney-General, no doubt, felt that it would be futile for him to attempt to prove that this great principle which New Zealand has incorporated in her legislation—the principle of non-interference with British trade—should not be likewise incorporated in this measure, because the cases were not upon all-fours. Instead of endeavouring to answer the question raised in this connexion the Attorney-General indulged in a piece of “special pleading,” and I use that term advisedly. The Bill, the honorable and learned gentleman said, is intended to deal with criminals, and he asked members of the Opposition—“Do you think that British traders are criminals, seeing that you wish to exclude them from its operation”? That was the main point of his speech last night. He said that the Bill was intended to prevent criminal dealings in trade.

Mr. ISAACS.—I did not say “criminal.”

Mr. KELLY.—I understood the Attorney-General to use a phrase of that kind. If, however, he assures me that he did not, I am quite prepared to accept his statement.

Mr. ISAACS.—I do not think that I did. As far as I can recollect, I said that the central purpose of clause 15 was to prevent the intentional destruction or injury of Australian industries.

Mr. WILKS.—The honorable and learned gentleman used the term “criminal” in his excitement, and he is now ashamed of having done so.

Mr. KELLY.—Let us take it, the Attorney-General pointed out that the Bill is intended to prevent destructive competition with Australian industries.

Mr. ISAACS.—That part of the Bill.

Mr. KELLY.—Exactly. He then proceeded to ask whether we imagined that British traders were so reprehensible that in their trade relations with Australia they had that object in view.

Mr. ISAACS.—I did not say so.

Mr. KELLY.—The Attorney-General will find that statement in his speech.

Mr. ISAACS.—I do not think so, but I have not seen the *Hansard* proofs of my speech.

Mr. KELLY.—The Attorney-General will find that the facts are as I have stated. The scope of this Bill goes far beyond the question of the development of trade by improper means. However, I shall defer consideration of that matter for a moment, and I shall deal now with the new question which has been raised by the Attorney-General. He declares that the Bill is intended to prevent destructive competition with Australian industry. Was not the New Zealand Act designed for the same purpose?

Mr. ISAACS.—I said “intentional” destruction or injury.

Mr. KELLY.—Exactly. Is not that the design of the New Zealand legislation which we are now asked to copy in yet another respect by the honorable member for North Sydney? That legislation is upon all fours with the amendment. The New Zealand legislation, I repeat, contains a safeguard of exactly the same nature as does the amendment under consideration. That fact fully answers the statement of the Attorney-General. If he quotes New Zealand as a precedent in the one case he must accept it as a precedent in the other. Of course, the Bill was not devised to deal with criminals. The Attorney-General does not now say that it was.

Mr. ISAACS.—Not this part of the Bill.

Mr. KELLY.—Exactly. This part of the Bill is designed to prevent intentional “unfair competition” with Australian industries.

Mr. WILSON.—Will the Attorney-General agree to the insertion of the word “intentional” in the Bill?

Mr. ISAACS.—It is in the measure already.

Mr. WILKS.—“Avowedly” is the word which should be used.

Mr. KELLY.—Under the provisions of the Bill what constitutes “unfair competition”? Clause 14 provides that—

Competition shall be deemed to be unfair if, under ordinary circumstances of trade, it would probably lead to the Australian goods being either withdrawn from the market, or sold at a loss unless produced at a lower remuneration for labour.

I take it that the measure is aimed not so much at unfair competition in the ordinary sense of the term as at successful competition. I have just quoted clause 14, and I now wish to point out that absolutely all competition from without must necessarily affect, in some way or other, industries within Australia. Any competition from without can be successful only at the expense of some similar competing industry within Australia, irrespective of whether it be intentionally or unintentionally unfair competition with that industry. As the Bill is drafted, I hold that the Judge who has to decide questions relating to “unfair competition” will undeniably have to determine that unfair competition exists in all cases where competition has been successful, because, under the provisions of the measure, successful competition is unfair competition. In such a case it is clear that when the Attorney-General wishes us to believe that it is wrong for any one to compete “unfairly” with Australian industries, he would have us believe that it is wrong for any of our kin over sea to be successful in competition with us. If it be criminal to beat one’s competitors in the open market, it is criminal even for the Attorney-General to deprive many a poorer barrister of his due proportion of briefs in the Victorian Courts. The same argument might be applied to him or to anybody else pursuing his ordinary avocation, as he and his party wish to apply to the trading community generally. This is not a Bill to prevent criminal interference with Australian industry. Upon the face of it, it is a Bill to prevent successful competition with Australian industry. It is the duty of the Government to look the position fairly in the face. The honorable member for North Sydney wishes us to continue trading with our kindred

oversea. He appeals to our sentiment, to our sense of gratitude and of fair play. He reminds us of what we owe to the mother country. He recalls that the reason why we have been free to develop our territory, without any restraint save the dictates of our own consciences, the reason why we have never heard a shot fired in anger, the reason why we, a mere handful of people, are able to maintain our exclusive right to one of the richest countries in the world, is to be found in the strong right arm of the motherland. In reminding us of these things he has pleaded in a way which I think no honorable member can overlook. He has urged us to recollect our obligations to the mother country, and I think it would be to our everlasting shame if this Committee showed itself unresponsive in that connexion. We have heard a great deal of talk—and I expect that we shall hear more during the course of this discussion—regarding the protection which we have enjoyed all these years at the hands of the mother country. Upon what is that protection based? Undoubtedly it is based upon the commercial activity of the people of the United Kingdom. Great Britain’s power and might, to which we owe so much, are based upon the commercial supremacy of the British people. That being so, it is obviously to our own interests to see that nothing which we do shall be aimed at the basis of that power. It is to our own interests to see that British industry shall be—so far as we can make it—successful, and to insure that no successful British industry shall be penalized. That is all that the honorable member for North Sydney contends for in his amendment. In the past, the Government have made the welkin ring with their eloquence upon the preferential trade question. They have appealed to our Imperial sentiments and to our Australian loyalty. When he was recently in London the Treasurer took as the keynote of all his discourses the phrase “One people one destiny.” Will the right honorable gentleman accept the chance which we offer him to-day of proving the value of his protestations?

Sir JOHN FORREST.—But under the Bill the British trader must be guilty of intent to destroy or injure Australian industries.

Mr. KELLY.—Will the Treasurer refuse to shelter himself behind any quibbles?

Mr. JOSEPH COOK.—Why not assume that the British trader is honorable in his dealings?

Mr. ISAACS.—We do.

Mr. KELLY.—Will the Treasurer prove himself the same Imperialist now, when his office may depend upon his action, that he proved himself in England when seeking merely the plaudits of the crowd?

Sir JOHN FORREST.—That is a dirty insinuation. Some people ought to be taught manners. They do not know how to behave themselves.

Mr. KELLY.—The Treasurer made the phrase "One people one destiny" the keynote of all his discourses in England. We now give him the chance to prove the value of his protestations. Will he accept the challenge? I am afraid that he finds it inconvenient to answer my very plain question. I presume that he will follow the precedent which he has so often set us, of refusing to vacate the comfortable surroundings of the Treasury Benches at the expense of his principles. I would remind the Committee that the phrase, "One flag, one people, and one trade" was the basis of the appeal made by the Prime Minister throughout the length and breadth of Australia at the last general elections.

Mr. JOSEPH COOK.—And one family.

Mr. KELLY.—The Prime Minister and his party were elected on the platform of "fiscal peace, preferential trade, and loyalty to the Empire." They have flung overboard "fiscal peace"—

The CHAIRMAN.—Can the honorable member show me that his remarks are relevant to the clause which is under consideration? Does he intend to connect them with it?

Mr. KELLY.—I did not think it would be necessary for me to connect my remarks upon preferential trade with the question which is before the Committee.

The CHAIRMAN.—I understood the honorable member to be discussing what the Prime Minister did at the last general election. That has nothing whatever to do with the question that is before the Chair.

Mr. JOSEPH COOK.—I submit to you, sir, that the honorable member is entitled to give reasons why he wishes to exempt Great Britain from the operation of the measure, and make a distinction in that respect. In support of what he alleges ought to be the action of the Government, he is

quoting a pledge given to the people and the country at the last election.

The CHAIRMAN.—The honorable member for Wentworth will be quite in order in using any argument to show the necessity for including the words of the amendment, but I maintain that he will not be in order in pursuing the lines which he has been following in connexion with something which the Prime Minister has said outside the words which actually bear upon the subject.

Mr. KELLY.—There are, I think, about half-a-dozen words in the amendment, and if I am not to use any other words, I shall be in rather a difficult position. I am trying to show that pledges which the Prime Minister gave upon the public platform, and which should make him support the amendment, will be broken if he fails to do so.

The CHAIRMAN.—The honorable member will be in order if he follows that course.

Mr. KELLY.—That is what I was doing, sir. A part of the Prime Minister's platform has already been thrown overboard, and it remains for him to prove the value of his protestations, so far as "preferential trade" and "loyalty to the Empire" are concerned. We know that the cry of Australia for the Empire has recently degenerated into the cry of Australia for the Australians.

Mr. CAMERON.—That was the cry last night.

Mr. KELLY.—Yes, it has now been the cry for a few months. The first plank of the Ministerial platform, I repeat, has been thrown overboard, and the other two planks—preferential trade and loyalty to the Empire—are absolutely intrinsic points in this amendment. I ask the Government if they are going to honour their platform pledges by supporting the amendment. In any case, they will have broken their pledge of fiscal peace, because the measure is absolutely subversive of the main pledge, by which they got their seats.

Mr. CHANTER.—The amendment has no relation to preferential trade.

Mr. KELLY.—No?

Mr. CHANTER.—It relates to preferential destruction of trade.

Mr. KELLY.—The honorable member need not be nervous, because the amendment has nothing to do with Canadian harvesters.

Mr. ISAACS.—That is not fair.

Mr. KELLY.—What is not fair? Have I not a right to suggest that a protectionist in the Chamber might be afraid of competition from Canada?

Mr. WILKS.—And did he not ask a question on the same point in 1905?

Mr. KELLY.—I think that the honorable member for Riverina introduced the matter here.

Mr. CHANTER.—The honorable member is quite wrong.

Mr. KELLY.—I have the keenest recollection of a question which the honorable member asked here.

Mr. ISAACS.—The honorable member for Riverina made a fair argumentative answer, and the honorable member for Wentworth ought not to pursue the subject further.

Mr. KELLY.—I do not think that the honorable member for Riverina misinterprets my reply. He introduced the question of Canadian harvesters, and I say that, as regards this amendment, at any rate, he need not be nervous of competition from that source, because it relates to imports from the mother country, where none of these alleged trusts or malpractices are in existence.

Mr. CHANTER.—Then what is the use of the amendment?

Mr. KELLY.—The use of the amendment is to prevent these absolutely too extensive powers granted in the Bill from being used to the detriment of British trade with this country.

Mr. ISAACS.—Can there be any powers too extensive to preserve Australian industries which are beneficial to Australia?

Mr. KELLY.—That is all very well coming from the honorable and learned gentleman whose leader, at the last election, used so much rhetoric on behalf of preferential trade. The amendment deals with something further. The honorable member for Riverina told me a few moments ago that he had never asked a question about Canadian harvesters.

Mr. CHANTER.—I said nothing of the kind. The honorable member said that I was the first to introduce the subject, and I replied that he was quite wrong.

Mr. KELLY.—I accept the honorable gentleman's assurance on that point. He remembers that he did ask a question about harvesters.

Mr. CHANTER.—I have not denied that.

Mr. KELLY.—I wish to show now that this is not a proposal which those who are so anxious about the measure need oppose.

The Bill has been introduced with a special object—to prevent the importation of harvesters. At any rate, last session the Minister of Trade and Customs told us that that was the main urgency for its introduction. Great Britain sends us no harvesters. She sends us nothing but legitimate trade. Last night the Minister in charge of the Bill told us that his object is to prevent any import trade being carried on which might in any way affect an Australian industry. Now, an import might be to the benefit of the whole community, and yet affect detrimentally a small section thereof; to wit, the industry competing with it.

Mr. ISAACS.—That would not come under this part of the Bill. It must be an Australian industry which is beneficial, and maintained in the interests of all.

Mr. KELLY.—There is nothing in the Bill about that.

Mr. ISAACS.—The honorable member has not read the Bill, else he would have found it there.

Mr. KELLY.—I have read the Bill with extreme care.

Mr. ISAACS.—Then the honorable member has missed it.

Mr. KELLY.—We are all liable to error, and perhaps the Attorney-General is making a mistake now.

Mr. ISAACS.—No.

Mr. KELLY.—Perhaps the honorable and learned gentleman will tell me exactly where it is to be found.

Mr. ISAACS.—In clause 13, dealing with the industries to which unfair competition refers—

Mr. KELLY.—That is limited to industries which are beneficial to the producer. On another part of the Bill, we fought out that question, and the honorable and learned gentleman was not able to satisfy us as to what he entirely meant by the words "having due regard to the interests of producers, workers, and consumers."

Mr. ISAACS.—I only mean now that it must be whatever that means—for the general benefit.

Mr. MCCAY.—It means what it means, the Attorney-General says.

Mr. KELLY.—Yes; the honorable and learned gentleman assures us that it means what it means.

Mr. ISAACS.—We all understand the meaning. I do not think that the honorable member can put it in more precise words, but if he can I shall accept them.

Mr. KELLY.—I am glad to hear that. If it means only competition with industries which are in the minds and for the benefit of the Australian people as a whole, that restricts very largely the scope of the measure. But the Parliament has passed a Customs Tariff which lays down the principle that there are hundreds of industries in almost every phase of trade which are well worthy of being maintained by the Commonwealth. Surely that is the scope of the present measure? If that be so, I submit that this part of the Bill is absolutely all-embracing in its scope. However, I do not wish to labour that point. I have pointed out to honorable members who are so anxious about the harvester question that this legislation does not affect their position, and with that remark I shall say no more about the controversial nature of the amendment. In conclusion, I only wish to remind the Committee that the Prime Minister was elected on definite pledges, which he will only honour by accepting the amendment. I have pointed out that the cry of Australia for the Empire by the Prime Minister at the last election has lately degenerated into the cry of Australia for the Australians. I warn the Government that if they are not very careful they will find the world at large thinking, if they resist this amendment, that they are not very particular as to whom Australia is for, whether it be for the Empire or for Australians, provided that she keeps her offices for them.

Mr. CHANTER (Riverina) [3.24].—The honorable member for Wentworth has taken it upon himself to advise the Government and their supporters. By this time honorable members must have arrived at a decided opinion as to the value of the amendment. I for one refuse to be classed, as the last speaker attempted to class those who favour the policy of protection for Australia, as disloyal to the Empire. I yield to no one in my loyalty to Great Britain, not even to the honorable gentleman who has spent so much of his time there. But what is the object of the Bill? It is to prevent monopolies which are destructive of Australian trade, no matter whence they come.

Mr. WILSON. — We have got off the question of monopolies, and are now dealing with the question of dumping.

Mr. CHANTER.—I am quite aware that we have reached clause 12, and that

we are now discussing an amendment moved by the honorable member for North Sydney, perhaps for a very proper purpose, but possibly with the object of inducing persons outside to think that the members of the Opposition are the only loyalists in the Australian Parliament, that they will open their arms to Great Britain in every direction, and that the members of the Government and their supporters have quite the reverse disposition.

Mr. CAMERON.—The members of the Opposition are the only ones who show it practically, anyhow.

Mr. CHANTER.—The honorable member has not shown that or anything else, practically, so that he need not interject.

Mr. CAMERON.—I have.

Mr. CHANTER.—The only time when the honorable member showed anything practical was when he sat on the rail for a week or two, and then voted with the Government.

Mr. CAMERON.—And I saved them.

Mr. CHANTER.—Yes.

Mr. CAMERON.—And I saved the honorable member a great deal of anxiety when he knew that he was safe for a time.

Mr. CHANTER.—I do not wish to be drawn aside by these interjections.

Mr. CAMERON. — Then the honorable member should not provoke them.

Mr. CHANTER.—The honorable member spends so much of his time in the cold climate of Tasmania that he wants to get warmed up now and again. Whatever the object of the amendment may be, in my opinion it is an insult to Great Britain. The object of the Bill is to prevent the destruction of Australian industries, but in supporting the amendment the Opposition say, "We will not allow the Americans, French, or Germans to destroy Australian industries, but we will allow Englishmen to come here and do so." I am a loyalist, and an Australian, but I shall not suffer Australian industries to be destroyed, no matter whence the attempt may emanate. That, to me, is a patriotic feeling.

Mr. CAMERON.—Lip-loyalty.

Mr. CHANTER.—There is no lip-loyalty about it. My whole life has been as honorable as that of the honorable gentlemen opposite.

Mr. CAMERON.—We are not talking of the honorable member's life.

Mr. CHANTER. — Then why should the honorable member say that I am indulging in lip-loyalty? Neither my career

nor my attitude in the House has ever given warrant to the honorable member or any one else to say that I have made here any statement which I did not really believe in and indorse by vote and voice. I need no defence in that regard. The honorable member for North Sydney and every supporter of the amendment has tried to throw upon the members of the Government and their supporters the odium of being opposed to preferential trade with Great Britain. That is an absolutely improper statement to make, because it is within their knowledge that when the question of who was in favour of preferential trade with Great Britain was put to the electors, it was the Right Honorable G. H. Reid and his followers who absolutely refused to accept it. But now, with the object of introducing a side issue, they wish to pose as preferential traders with Great Britain. I repeat that this is a Bill for the prevention of the destruction of Australian industries, no matter from what country the attempt may be made, and those who support the amendment are really pleading that Australian industries may be destroyed by monopolistic manufacturers of Great Britain, Canada, or any other part of the British Empire.

Mr. ISAACS.—No; only the United Kingdom.

Mr. CHANTER.—That is a limitation I did not expect. The fact remains that those supporting the amendment plead that we should allow some one to destroy Australian industries.

Mr. JOSEPH COOK.—No one has suggested that.

Mr. ISAACS.—It is not a question of loyalty to the Empire, but merely that persons in the United Kingdom should have this power.

Mr. CHANTER.—That is the gist of the amendment. The honorable member for Wentworth has said that there are no monopolies in Great Britain, and no persons engaged in industries there who will be responsible for dumping destructive of Australian industries. If that be so, of what use is the amendment? If there are monopolies in the United Kingdom, it is just as necessary that we should protect our industries from their operations as that we should protect them from the operations of monopolies in other countries.

Mr. LEE.—They do not exist in England.

Mr. CHANTER.—If they do not exist in the United Kingdom, of what use is the amendment? If they do exist, I hope that it will be considered patriotic on the part of Australians to prevent the destruction of Australian industries, no matter from what country the attempt is made to destroy them. When the real question of loyalty to the Empire is before this House in a practical form, which will show which party is prepared to give expression to that loyalty in a practical and legitimate way, that is, by the establishment of preferential trade in the interests of the Empire, the votes in favour of such a proposal will be on this rather than on the opposite side.

Mr. WILKS (Dalley) [3.35].—While no one is more pleased than I that you, sir, should occupy the position which you do now, I deeply regret that in the body of the Chamber we have not the advantage of the presence of Mr. McDonald, the labour member for Kennedy, in the discussion of this very important amendment. It is strange that while this loyalist amendment is under discussion there is not a single member of the Labour Party present, with the exception of the Chairman of Committees and the honorable member for Melbourne. It is reasonable to suppose that the members of the party are now engaged in caucus discussing what action they shall take in regard to this proposal. The honorable member for North Sydney has on many occasions rendered signal service, not only to the Commonwealth, but to the Empire, but he never rendered a more signal service than he did in submitting his amendment upon the Contract Immigrants Bill providing for the exemption from some of its provisions of British labourers introduced under contract.

Mr. KELLY.—The Treasurer inferentially took credit for that amendment when he was in London.

Mr. WILKS.—I am astonished that the honorable member for Wentworth should tell me that the right honorable member for Swan inferentially desired to obtain credit for that loyal amendment submitted by the honorable member for North Sydney in the Contract Immigrants Bill. If that be so, I can understand the right honorable gentleman's sudden exit from the Chamber. In dealing with the amendment which is now before the Committee, it is most desirable that the Treasurer should adopt the same attitude in Melbourne that

he took up in London some few months ago. There, speaking with the responsibility and credit attaching to the Treasurer of the Commonwealth, the right honorable gentleman uttered highly loyal arguments, and I ask that he should adopt the same attitude when dealing with this amendment.

Mr. PAGE.—Does the honorable member accuse the Treasurer of disloyalty?

Mr. WILKS.—If the statement made by the honorable member for Wentworth be correct, I must accuse the honorable gentleman, if not of actual disloyalty, at least of backing down upon his utterances in London only a few months ago. The Minister of Trade and Customs has had a troublesome time with this Bill. Whenever the honorable gentleman has charge of a Bill, he is unfortunate enough to receive a more severe jacketting than does any other member of the Ministry in a similar position. I am very sorry to have to join in an attack upon the honorable gentleman, but when he refuses to accept such an amendment as has now been submitted, I am absolutely compelled to say harsh things of him which otherwise I probably would not say. On reconsideration, I hope that the honorable gentleman will admit that the amendment submitted by the honorable member for North Sydney is worthy of acceptance. I am afraid that I shall be compelled to quote the honorable gentleman's own utterances—not the utterances of some designing oppositionist who desires to secure the Minister's position—to show how difficult it is to understand why an honorable gentleman, who is so loyal and so British, should refuse to accept an amendment exempting articles produced in Great Britain from the operation of the dumping provisions of this Bill. The honorable member for North Sydney urged in support of the amendment that British manufacturers should be exempt from these dumping provisions in just the same way that labour from Great Britain has been exempted from the provisions of the Contract Immigrants Act. The honorable member for Melbourne Ports accepted the amendment which was moved on the Contract Immigrants Bill, affecting contract British labour, and we now ask the honorable member and other honorable members opposite to prove their *bona fides* as citizens of the Empire, by agreeing to exempt from these dumping provisions the products of British manufacturers.

Mr. MAUGER.—I want British labourers here, but I do not want their sweated work here.

Mr. WILKS.—That is the attitude adopted by the Attorney-General last night when he came to the rescue of the Minister of Trade and Customs. The honorable and learned gentleman, in a dramatic manner, asked whether we would allow the products of sweated labour to come in here. But honorable gentlemen opposite acquiesced in proposals to permit the sweated labourers of Great Britain to come here under the Contract Immigrants Act.

Mr. KENNEDY.—They must come at the same rates of wages as are paid here.

Mr. WILKS.—We will deal with that later. The amendment now before the Committee is, in my opinion, the strongest yet presented in this Chamber to test the loyalty and British instincts of those who call themselves preferential traders.

Mr. KENNEDY.—The honorable member is comparing things which are not alike.

Mr. WILKS.—I am accustomed to the practice of parliamentarians in twisting things as the honorable member is now trying to twist this matter. Last night the Attorney-General, in defending the Minister of Trade and Customs, squealed like a rat caught in a trap, but all he could say was, "Do not let us lose the Bill in order to exempt the productions of sweated labour." The protectionists who have advocated preferential trade have objected to the production, not of the sweated labour of free-trade Great Britain, but of protectionist Germany and America. The honorable member for Riverina has told us that this is a Bill for the preservation of Australian industry, but since the second reading of the measure, the Minister of Trade and Customs has tabled seven pages of amendments, and really, the second reading of the measure, as it now stands, has not yet been passed. All that we have passed is an attractive title. This is in accordance with the placard system of legislation adopted by French politicians, who are satisfied if only they can carry a title. The honorable member for Riverina has tried to hoodwink honorable members, the press, and the electors by the assertion that what he is now supporting is a measure for the preservation of Australian industries. But the Attorney-General may alter the whole scope of the measure, and the Minister of Trade and Customs may table, not seven,

but seventy, pages of amendments, and so long as the attractive title remains, the honorable member for Riverina will vote for it. On the 18th of October last, the honorable member asked the following question of the Prime Minister:—

Whether his attention has been directed to the operations of the International Harvester Company of America in reducing the price of harvesters to £70, with the avowed object of capturing the Australian trade, and crushing out the existing industries of the Commonwealth?

That was followed by another question, and to both the honorable member obtained answers from the Prime Minister. I have here a bill-head of a business firm, and from it I learn that the honorable member for Riverina is an agent, not for the International Harvester Company, but for H. V. McKay's Sunshine harvester.

Mr. CHANTER.—The honorable member is absolutely wrong.

Mr. WILKS.—I have here an account with the heading "J. M. Chanter and Sons," and showing the district in which they operate, and the articles in which they deal.

Mr. KELLY.—The honorable member may not be referring to the same firm.

Mr. CHANTER.—The honorable member is absolutely wrong.

Mr. WILKS.—Is not the honorable member connected with this firm?

Mr. CHANTER.—Absolutely, no.

Mr. WILKS.—The question is whether the honorable gentleman was connected with it at that time.

Mr. CHANTER.—I shall take an opportunity to reply to this, because that document was put in for a purpose, and the statement made is absolutely without foundation.

Mr. WILKS.—It is put in for no purpose but to answer the braggadocio of the honorable member, who stood up here and said that honorable members who are supporting the amendment wish to make provision for the destruction of Australian industries. Let me tell the honorable member that I am as strong an advocate of the preservation of Australian industries as he is, although I do not desire that a few industries should be preserved at the expense of the general public.

Mr. ISAACS.—I have looked at the bill-head, and I do not think it says that J. M. Chanter and Sons are agents for McKay at all. It appears merely that they are agents for an insurance company, and also sell "Sunshine" harvesters.

Mr. WILKS.—The Attorney-General again comes to the rescue with legal quibbles. He says the firm are not agents for Mr. McKay, but they sell his harvesters.

Mr. ISAACS.—Does the honorable member mean to say that every man who sells an article is an agent for the manufacturer?

Mr. WILKS.—This firm has a perfect right to sell these articles, but I have made the reference in reply to the honorable member for Riverina, who twitted honorable members on this side with supporting the amendment for a certain purpose.

Mr. CHANTER.—Will the honorable member be satisfied if I say that personally I have never obtained a solitary sixpence from any interest in the firm?

Mr. WILKS.—I know the honorable member so well that I readily accept his assurance. I am sorry that he should have been led to say certain things in the heat of debate. We are simply asking that there shall be inserted in this Bill such a provision as exists in the New Zealand Act. It reads—

For the purposes of this Act, implements of British manufacture shall be deemed to be manufactured in New Zealand, and the importers of such implements shall be deemed to be manufacturers thereof in New Zealand.

What reason is there why a similar provision should not be inserted in this Bill? It is a singular thing that, in the paper furnished to honorable members by the Government, ostensibly giving information with regard to trust legislation in different countries, no mention is made of this section as being in operation in New Zealand.

Sir WILLIAM LYNE.—I mentioned it in my second-reading speech.

Mr. WILKS.—Why was it not referred to in the memorandum prepared for the use of honorable members by the Government? Had it not been for the industry and research of the honorable member for North Sydney, probably few of us would have been aware of it. I shall not dwell upon the fact that this Government proposes to exclude the goods of our own kith and kin. The honorable member for Wentworth has emphasized that point. But I should like to quote from a lecture delivered by the Minister of Trade and Customs, bearing upon this very question. The lecture has been reprinted in pamphlet form

and issued in a neat cover of the proper socialistic colour—red. Let me read the whole title-page—

Imperial Reciprocity. Lecture delivered by the Honorable Sir William J. Lyne, K.C.M.G., Minister for Trade and Customs, Commonwealth of Australia, before the British Empire League, Sydney, in the Royal Society's rooms, 25th January, 1904.

It sounds well, and it looks well. The "K.C.M.G." is there. It looks very imposing. From that lecture I will quote some remarks bearing upon this matter—

Do they consider that for a paltry and often imperceptible difference in cost, the whole sum total of our benefits in trade is buying in the cheapest market? I repeat that we are vitally interested in the prosperity and prestige of the great centre of the British Empire, and if there is anything we may contribute to its maintenance and progress, so much will it be to our lasting and permanent advantage, apart altogether from those feelings of sentiment and patriotism which, contrary to the opinions expressed by certain ill-natured and ill-informed critics, inspire the hopes and ambitions of the Australian people. We need have little fear of any interference with our own manufactures. There are certain and many articles, owing to a limited demand, and in the absence of specially skilled labour, which for many years to come we are not likely to be able to produce here with any possible success, and it is the trade in these articles which we hope, by the adoption of Mr. Chamberlain's proposal, will be restored to the hands of British manufacturers and British workmen.

Mr. PAGE.—What is there wrong about that?

Mr. WILKS.—Nothing wrong at all; but in the face of that statement does the honorable gentleman intend to oppose this amendment? If he was not lip-loyal at that time, I respectfully ask him as Minister to accept it. It will be no climb-down.

Sir WILLIAM LYNE. — We cannot have one-sided reciprocity.

Mr. WILKS.—Then am I to understand that all the loud-mouthed statements of the Prime Minister — who once occupied three hours in advocating preferential trade and those of the Minister of Trade and Customs were simply a matter of bargain-hunting? Am I to understand that they are only preferential traders so long as they can make a bargain favorable to Australian sellers?

Mr. MAUGER.—Who said that?

Mr. WILKS.—They say it themselves.

Mr. MAUGER.—Nonsense!

Mr. WILKS.—It is all very well for the honorable member for 66 Bourke-street to say that; but why does not the Minister accept this amendment?

Mr. HUGHES.—It is all right; the honorable member has to keep the debate going for an hour.

Mr. WILKS.—The honorable member for West Sydney will not have many months to go, so far as his membership of this House is concerned, if he votes against this amendment. Why does he not vote and fight on the side on which he has always been in the past?

Mr. HUGHES.—Which side did the honorable member vote with in the past?

Mr. WILKS.—The right side, the loyal side, the British side.

Mr. HUGHES. — I remember when the honorable member was not on that side.

Mr. WILKS.—I can remember when the honorable member for West Sydney was on the same side as myself, but he did not stay very long with me, and I am pleased that he did not, though I think he would like to have me in his company.

Mr. HUGHES.—I should like to have the honorable member's personal company, yes; but as for his political company, no.

Mr. WILKS.—We are in different camps now; but under the new re-arrangement of electorates, I have made the honorable member a present of 5,000 of my warmest supporters. That is a tribute to my friendship for him; though I do not think they will do him much good. As a matter of fact, 5,000 free-traders and staunch loyalists have been dumped into the honorable member's electorate.

Mr. HUGHES.—It will take the honorable member all his time to look after "Selina."

Mr. WILKS.—It would take the honorable and learned member all his time if he came out against me.

Mr. HUGHES.—Neither the honorable member for Dalley nor any of his "crowd" would dare to oppose me. Let the right honorable member for East Sydney come out against me.

The CHAIRMAN.—I must ask the Committee to take this discussion seriously. This is a deliberative assembly, and I must ask honorable members to maintain order.

Mr. HUGHES.—I desire to apologize. The whole thing was spontaneous. Under the same circumstances, I should say the same thing again, though I should be very sorry for it immediately afterwards.

Mr. WILKS.—What would happen to our trade if Great Britain applied provisions similar to those which we are discussing to butter, meat, fruits, and wines from Australia?

Mr. MAUGER.—What does Great Britain give to us in the way of trade that she does not give to foreign nations?

Mr. WILKS.—The honorable member's only concern seems to be that Great Britain does not close her ports to foreign nations. There is a spirit of bargaining behind all these so-called preferential traders. I ask that the amendment shall be supported for reasons of loyalty and gratitude to the country which has protected our commerce and our very lives for so many years. I ask the honorable and learned member for West Sydney to give the matter his earnest consideration, because I know that his instincts are strongly in this direction.

Mr. HUGHES.—If the honorable member would attach to the amendment a provision that the goods shall be made in Great Britain with labour employed at trade union wages, I will vote for it.

Mr. WILKS.—Personally, I shall be delighted to vote for such an amendment if the honorable and learned member will propose it.

Mr. HUGHES.—Let the honorable member move it, and I will vote for it.

Mr. MAUGER.—Let it provide for the payment of Australian trade union rates.

Mr. WILKS.—I should like to make a further quotation from the lecture of the Minister of Trade and Customs to which I have previously referred. He said—

In my opinion our Tariff is of such a character as would readily lend itself for such a purpose of Imperial reciprocity. The rates throughout are moderate, and on many of the articles which the United Kingdom could readily supply us with, a sufficient and moderate preference would not tend to raise the rates to anything like those of the large majority of protected countries. I refer particularly to textiles, metals and machinery, hardware, earthenware, chinaware, glass, drugs, and chemicals, &c.

These are the very articles for which the amendment would provide an inlet. The Minister of Trade and Customs admits the strong position which British products hold in comparison with our own; and he has expressed a desire that the former should be allowed to come in, and suggested that the Tariff would prove a ready machine for the adoption of Imperial reciprocity. Now, however, by means of this Bill, the honorable gentleman seeks to erect a stone wall against those British products. The amendment is not a hostile, but a friendly, proposal, submitted with the object of assisting the Government. Time after time Bills have been improved by the Opposi-

tion, and the Attorney-General himself, in relation to the measure before us, has asked the assistance of honorable members on this side in moulding legislation. I have quoted the Minister of Trade and Customs as practically supporting the idea contained in the amendment, the only difference between the honorable gentleman's utterances then, and his utterances now, being that the former were delivered to Imperial music before the Empire League. My own opinion is that the Opposition would receive more credit if they allowed legislation, which is hurtful to the community, to be passed in the shape proposed by the Government. The Opposition are wasting their time, from a tactical point of view, in improving and watering down legislation, such as has been submitted to us during the last eighteen months; and it would be just as well, after the failure of an attempt to defeat the second reading of such Bills, if these had been allowed to go, with all their blemishes, before the public.

Mr. CHANTER.—Try that plan for the rest of the session!

Mr. WILKS.—The Minister of Trade and Customs has admitted that his original proposals were wrong, seeing that, since the second reading of this Bill, he has tabled no less than seven pages of amendments—practically a new Bill.

Mr. MAUGER.—This is the third time the honorable member has said that.

Mr. WILKS.—It will bear repeating. If the public know how the Minister of Trade and Customs butchers his own measures, they will know what value to attach to his proposals.

Mr. JOHNSON.—And yet we are told that this Bill received the mature consideration of the whole Cabinet.

Mr. WILKS.—The late Richard Seddon, the great tribune of New Zealand, was so much a Britisher that he made the provision which the amendment seeks to have embodied in the Bill. If New Zealand, which is in the van of progressive and protective legislation, could make an exemption in favour of British products, we surely may follow that example.

Mr. HUGHES.—To what extent does New Zealand favour British products?

Mr. CHANTER.—To the extent of one particular line only.

Mr. WILKS.—The New Zealand Act provides that implements of British manufacture shall be deemed to be manufactured in New Zealand—that the importer shall be deemed to be the manufacturer.

Mr. HUGHES.—That is only with regard to one particular line.

Mr. WILKS.—It is a very large line; the honorable and learned member for West Sydney must admit that machinery and metals represent about our largest importations.

Mr. CHANTER.—No.

Mr. WILKS.—I happen to have the figures which were quoted by the Minister of Trade and Customs.

Mr. CHANTER. — Another fact gone wrong!

Mr. WILKS.—The figures I have are the figures quoted by the Minister of Trade and Customs himself. The honorable member for Riverina laughs at the figures which were used by the Minister on the 24th January, 1904; and I am therefore compelled to repeat them for the benefit of this blind supporter of the Ministry. The importations of British steam-engines in 1898 represented £164,000, as compared with £411,000 worth in 1901; while the importations of other machinery in 1898 represented £787,000, as compared with £1,025,000 worth in 1901. Honorable members will thus see the importance of the importations of manufactures of metals, including machinery.

Mr. HUGHES.—Is it suggested that these importations should be admitted free?

Mr. WILKS.—It is suggested that these importations should have preferential treatment. Great Britain opens her ports to us; and the honorable member for Moira, for one, is glad to know that butter, meat, and other products of Australia find a market in the old world. We cannot sell to Great Britain unless we buy from Great Britain—we cannot be sellers unless we are also buyers. We do not buy primary products, but manufactured products, from Great Britain, and those most in demand in Australia are manufactured metals and machinery. The Minister of Trade and Customs ought to be the first to support such an amendment. We have had many services at the hands of the honorable member for North Sydney, and this amendment represents another; and I trust that the Attorney-General will not regard the proposal as in any sense obstructive. Last night the Attorney-General said he would put honorable members to the test on the question

of preferential trade. I now ask honorable members to reverse the order of things, and to put the Attorney-General to the test. Now is the golden opportunity; we do not want lip loyalty, but some practical exemption in favour of British products. What the Attorney-General means by “dumping” can never take place in connexion with British products, though the definition by the Minister of Trade and Customs would appear to embrace all trades. So long as there is a single Australian industry, employing, it may be, one boy or a child, so long will the Minister of Trade and Customs, strong protectionist that he is, regard as unfair and injurious competition any attempt by Great Britain, or any other country, to undersell the local manufacturer. I know that the Attorney-General does not take so small a view; and, truly, this is a matter beyond any mere question of free-trade or protection. According to the statement of the Minister of Trade and Customs, there are annually imported articles to the value of £7,000,000 which we cannot hope to manufacture for years to come; and, under the circumstances, the honorable gentleman ought to be prepared to extend just and generous treatment to the mother land.

Mr. McCAY (Corinella) [4.7].—I must confess that I am somewhat surprised at the arguments used in favour of the amendment. It is time, I think, that we remembered what the amendment is, and what it proposes to effect. This part of the Bill aims at preventing the destruction of Australian industries by what is called unfair competition. As to the definition of “unfair competition” contained in the Bill. I am not prepared to give my accordance to it as it stands.

Mr. WILKS.—That is, as to clause 14, paragraph *a*.

Mr. McCAY.—Clause 14, paragraph *a*, for example, is, I think, quite wrong as it stands. There are proposals in the Bill which, it seems to me, cannot be justified by either protectionist or free-trader; but the amendment before us does not deal with the point referred to in the interjection. Some honorable members may think that the proposals in the Bill are altogether wrong, while others may regard them as altogether right, or, as I myself do, as requiring modification. But if we once establish what is our standard of unfair competition, we should forbid that unfairness from whatever quarter it comes.

Mr. ISAACS.—And also the intention to destroy our industries.

Mr. McCAY.—I include that—I mean unfairness with the intention of destroying; that is, unfairness of method and unfairness of the object aimed at. When we determine these, the provisions should be applied all round. It has been suggested that this amendment is a test of sincerity with regard to our desire to assist the Empire. I must confess that I am unable to answer that argument, because I cannot understand its application to the question under consideration. It has been suggested that the amendment is a test of the sincerity of those who allege their belief in preferential trade, which, as has been rightly pointed out, implies reciprocity on the two sides. That suggestion also, I venture to think, is entirely inapplicable to the present circumstances. Then we have had quoted to us a precedent in the shape of the New Zealand Act. That Act, however, refers to the sale of a very limited number of agricultural implements.

Mr. KENNEDY.—And the Act was introduced for a particular purpose.

Mr. McCAY.—That is so. That Act refers only to ploughs above a certain weight, tine and disc harrows, combined drills, seed drills, rollers, cultivators, grubbers over a certain weight, chaff-cutters of a certain size, self-bagging chaff-cutters, and seed cleaners. These are the only articles of commerce and industry to which the New Zealand Act relates, and I venture to say that as soon as honorable members read the list they will realize that neither New Zealand nor Australia has much to fear, or hope, from the English imports of these particular articles. It is from the United States that those implements come, and it is really a useless placard in the New Zealand Act to say that it does not apply to British manufactures, seeing that these productions are not manufactured in Great Britain for export to this side of the world. I always respect a New Zealand precedent, and would respect it in connexion with a Bill of this kind, when there is a proposal to make an exception in favour of articles of British manufacture; but in this case I hold that the precedent is not in the least degree applicable—that it is no precedent. To my mind, the question narrows itself down to one single point. Assuming that it is right to pass this part of the Bill in any form—and I think it right

to pass it in some form, though not exactly in its present form—whatever it is right to apply to implements or articles manufactured elsewhere, it is right to apply, so far as this Bill is concerned—and I am referring only to the Bill—to articles of British manufacture. The Bill, however ill-designed, and however much it may yet be amended in order to bring it into better shape, is intended to prevent unfairness with the intention to destroy. I am perfectly certain that our kinsmen in the United Kingdom do not desire to have any exemption made in their favour, in order that they may be able to indulge in unfairness with intention to destroy.

Mr. ISAACS.—This amendment would constitute such an exemption.

Mr. McCAY.—The amendment would constitute an exemption in their favour, and British manufacturers would be able to indulge in unfairness with intention to destroy.

Mr. ISAACS.—That is the only meaning of the amendment.

Mr. McCAY.—That is the only meaning the amendment can have.

Mr. JOSEPH COOK.—Is it?

Mr. McCAY.—That is so, in my opinion; and it is irrelevant to consider how far the other clauses of the Bill require amendment. I have already said that I think there are one or two proposals in the Bill that should not apply to either British or any other goods. The circumstances aimed at by clause 14, paragraph *a*, which mean that honest competition is unfair because it is successful, should be met by Tariff alterations. If the duty is not high enough from a protectionist point of view, it is for protectionists to make it higher, but not to put in the Bill a substitute, and an unsatisfactory substitute, for protection. I find, however, that I am committing the same offence for which I have reproached others. What I say is that if we define what is unfairness with intention to destroy, the test should be applied all round. We are neither justified in offering the very dubious privilege to our kinsmen at home of permitting them to be unfair with intention to destroy, while other people may not do so, nor justified in supposing that our kinsmen want such a privilege. Consequently, whatever the merits or demerits of the other clauses of the Bill may be—and as to this the most violent differences of opinion may exist, and violent disputes may

rage—it seems to me—and I only speak for myself—clear beyond contradiction and reasonable dispute that that which applies to prevent unfairness with an evil intention on the part of people in Canada or elsewhere should also apply to people in the United Kingdom who are guilty of unfairness with evil intention. That is one thing, while the propriety of the provisions of the Bill is another. Having settled what its provisions shall be, we should apply them all round. Instead of it being a kindness or act of good feeling, it is almost an insult to tell the manufacturers of the United Kingdom that we are so well disposed to them that we are willing to let them be unfair, or to have evil intentions.

Mr. KENNEDY (Moir) [4.16]. — I have been much interested in the discussion of the amendment, more particularly because of some of the sentiments to which utterance was given last night by the honorable member for North Sydney. With those sentiments in general I am in hearty accord.

Mr. CHANTER.—So are we all.

Mr. KENNEDY. — I venture to say, however, that they have little or nothing to do with the matter in hand. We are dealing with a business proposal, and must consider it on its merits. Although the honorable member for Dalley has said that it is proposed to so alter this part of the Bill that the House, in agreeing to the second reading, cannot be said to have approved of it, I venture to declare that no material alteration of its basic principles is proposed. The alterations which are proposed affect the methods by which effect is to be given to this part, and were clearly outlined when the second-reading debate was in progress. All that it is pertinent to ask at this juncture is: On what grounds has the amendment been moved? As I understood the honorable member for North Sydney, he gave three reasons in support of his action—the need of showing our loyalty to the Motherland, the precedents which have been established in two directions, and the desire which has been expressed for preferential trade. To my mind those who support the amendment with a view to showing loyalty to Great Britain are one-sided loyalists. To be loyal to the Empire, we must first be loyal to Australia. We must be loyal to Australia if this country is to become self-sustaining and self-supporting, and

a source of strength to the Empire. It cannot be urged that we are not free to deal with trade relations as we may think best in the interests of our community. The Bill has been framed to deal with those relations. Clause 13 determines that it shall not be operative except in the best interests of the community. Those who argue from the stand-point of loyalty do not use the word in its broad sense. If it be a good thing to exempt the United Kingdom, why should we not also exempt Canada, New Zealand, and the other parts of the Empire? The mother country desires no special treatment. Those who favour preferential trade will, when business negotiations are entered upon, deal with the interests of the Empire in a broad spirit. As to the New Zealand precedent which was adduced, I venture to say that the New Zealand legislation is entirely different from this. The New Zealand Act was passed to regulate and control the manufacture and sale of certain agricultural implements. It does not deal with all imports, but only with ploughs of a particular class, harrows, drills, and chaffcutters. The title of the Act shows that the intention of its framers was to develop the manufacture of those implements in New Zealand, and that its provisions do not apply to the whole range of imports into that Colony. The second precedent which has been urged is the Commonwealth legislation with regard to the admission of contract labourers into Australia. But contract labourers who come here from Great Britain are, as soon as they arrive, on an equality with the workmen already here in regard to hours, rates of pay, and conditions generally, whereas the artisans and mechanics employed in the manufacture of the goods sent here from Great Britain are not on an equality with Australian workmen. If they were, there would be some force in the precedent which has been adduced. As it is, there is no similarity between the two cases.

Mr. LEE.—Does not the Massey-Harris Company pay the same rates of wages as are paid in Australia?

Mr. KENNEDY. — The amendment does not deal with the Massey-Harris Company; it deals with the manufacturers of Great Britain. Under the amendment we cannot impose the conditions which are imposed on English workmen who come here.

Mr. DUGALD THOMSON.—What is the Tariff for?

Mr. KENNEDY.—We are not now dealing with the Tariff.

Mr. DUGALD THOMSON.—But the honorable member is forgetting that there is a Tariff.

Mr. KENNEDY.—When we were dealing with the Tariff, those who hold different fiscal views from mine would not admit the difference of conditions which exists. The Bill attempts to prevent injury being done to our people by the importation of goods under unfair conditions, no matter where they come from.

Mr. DUGALD THOMSON.—The honorable member should read paragraph *a* of clause 14.

Mr. KENNEDY.—That is another matter, with which we can deal when it arises.

Mr. DUGALD THOMSON.—That is the Bill as we have it.

Mr. KENNEDY.—No doubt politics at times bring men into strange company, and I listened with some amusement to the arguments of honorable members opposite in favour of the preferential treatment of British goods. If my memory serves me aright, at the last elections most of them were opposed to preferential trade.

Mr. JOHNSON.—We were opposed to any increase of duties on goods imported from foreign countries.

Mr. KENNEDY.—One of the planks in the platform of the Prime Minister was a proposal for preferential trade, and parties were divided on that subject.

Mr. JOHNSON.—Only as to methods, not as to the principle.

Mr. KENNEDY.—The Opposition were against the Prime Minister's proposal.

Mr. JOHNSON.—We favoured the reduction of duties on goods coming from the mother country.

Mr. KENNEDY.—The Opposition favoured a general reduction of duties.

Mr. JOSEPH COOK.—Our proposal was to grant a preference to the mother country by means of reduced duties.

Mr. KENNEDY.—The leader of the Government was in favour of preferential trade on clearly defined lines, his first policy presupposing protection to Australian industries. He desired to give a preference to Great Britain where that is possible; but the Opposition desired a general reduction in the rates of duties.

Mr. JOHNSON.—In the rates imposed on British imports.

Mr. KENNEDY.—From my point of view, the Opposition were against the preferential trade proposals of the Prime Minister, and I am, therefore, surprised to hear them to-day arguing for preference where that is impossible.

Mr. JOSEPH COOK.—They are taking the course which they have always taken.

Mr. DUGALD THOMSON.—We offered to give preference without conditions. The Minister would not do that.

Mr. KENNEDY.—The honorable member for North Sydney last night referred to what might happen if Great Britain treated us as we treat her under the Tariff. The statesmen of that country support the fiscal policy which they consider best in her interest, while we adopt the policy which we consider best in our interest. He went on to say that some of our staple products—he gave two instances—are sold in the British markets at prices lower than they bring here. I contend that at no time except possibly during a short period over which some untoward circumstances have operated, have we sent produce into the English market and sold it for less than the prices ruling in Australia. We have frequently been told by honorable members of the Opposition that we must continuously depend upon the markets of the world, which govern the prices of our staple products; and in view of the fact that we have not a monopoly of the articles which form our staple products, how is it possible for us to so fix the rates at which we shall sell our goods? I will take, for example, the prices of mutton and beef. The latest quotations show that there is a difference of about 1d. per lb. between the prices obtained for mutton in Australia and in Great Britain—the additional penny per lb. obtained in England is about sufficient to cover the cost of exportation.

Mr. CONROY.—There is a difference of 1½d.

Mr. KENNEDY.—I will give the honorable and learned member the benefit of the ½d. I assert without fear of contradiction that lambs for export and for home consumption were bought in the same market in Victoria during the last export season. The greater number of the lambs were bought for export, and shipped to the old world with profit to the shippers. Therefore, taking into account the cost of shipment, that particular product could not have been sold at higher rates in Australia than in England. The position in regard

to beef is exactly the same. The latest quotations show that beef is being sold in the English market at about 3d. per lb. We do not ship any beef from the southern States, but I asked the honorable member for Capricornia, who has an intimate knowledge of the beef export business, for information as to the price of beef at Rockhampton. He informed me that the current price was about 16s. per 100 lbs., and the London wholesale price corresponds. We have not at any time, except during a period of scarcity owing to a drought, been able to obtain for our produce a higher price in Australia than has been ruling in Great Britain. In the case of wheat, for instance, there must always be a margin of profit to the shipper. I can remember a time when wheat was being sold for 3s. per bushel in Great Britain, whilst it was quoted at 6s. per bushel in Australia. We found at the end of the season that we had overshipped, and in the face of an absolute failure of the crops in the ensuing season, we had to import wheat in order to meet our requirements. Those conditions, however, were abnormal.

Mr. DUGALD THOMSON.—But does not the honorable member see that the Bill would provide against such a case as that?

Mr. KENNEDY.—I am dealing with the statements of the honorable member, which related to normal conditions. So far as I understand the Bill, it would apply only to general conditions of trade. It is not likely that in any circumstances, such as I have referred to, any steps would be taken under the Bill. Consequently, so far as I have been able to follow the arguments of the honorable member for North Sydney, there is no warrant for his amendment. I cannot imagine that the exporters of Great Britain desire to be placed in such a position that they would be able to compete unfairly in our markets.

Mr. LEE (Cowper) [4.40].—I have listened very carefully to the honorable member for Moira, and I am sorry that I cannot agree with him. He said that the mother country did not desire to have separate treatment accorded to her. I do not believe she does, but she certainly wants to be dealt with straightforwardly and fairly. When she conferred upon us our Constitution, she left us at liberty to erect our Tariff wall against her, as well as against other nations, and she is content to rely on her own resources. During the

last elections, Ministers were preaching fiscal peace and preferential trade, but now they have turned a complete somersault, and apparently desire to enter upon a fiscal war. The members of the Opposition are now the only advocates of fiscal peace, and are taking the present opportunity to show that they are prepared to grant a preference to England over other nations. The question of regulating prices for our produce has been referred to. Any person who knows anything about business must be aware that it is exceedingly difficult to fix prices. This has always been a great source of trouble to exporters who have to send their produce to England, and accept whatever price they can get. In order to protect themselves they have, in some cases, created what is known as an export fund. For instance, if butter is being sold for 10d. per lb. in Sydney—which is a very high price—and does not, after all expenses of shipment have been paid, realize that amount in London, the export fund is drawn upon to cover the loss incurred. Such an arrangement is necessary in connexion with our export trade, but under the Bill it would be considered as involving unfair competition. It appears to me that in the drafting of this measure, the interests of the consumer have been entirely ignored. Take the case of a plough that can be manufactured in England and sold here at £4 10s., whereas a similar plough could not be manufactured and sold here for less than £6 10s. The Bill would offer a premium to the importers to put the difference of £2 in their pockets, instead of giving to the purchaser the benefit of it.

Mr. BAMFORD.—They would not do such a thing.

Mr. LEE.—They must do it in order to avoid the risk of being charged with carrying on unfair competition. The measure is designed, in the interests of the merchants and the importers. It is built up, not upon the golden rule "As ye would that men should do to you, do ye also to them likewise," but upon the principle of doing unto others what you would not wish them to do unto you. It has been said that it would be an insult to Great Britain to allow her to trade with the Australian portion of her Empire without any interference, whilst excluding the goods of other nations. Personally, I consider that the mother country would be prepared to submit to a great number of such insults.

All that she asks is a fair field and no favour. Of course, if honorable members wish to extend a preference to Great Britain, I, as a free-trader, do not object. I have never objected to our Customs duties being reduced in favour of the mother country.

Mr. BAMFORD.—The honorable member is not a rabid free-trader.

Mr. LEE.—I am what I am.

Mr. PAGE.—And nobody knows it better than the honorable member himself.

Mr. LEE.—Very often it happens that a man does not know what he is himself. The free-traders have always been prepared to accept any reduction of our Customs duties in favour of England. The Ministry appear to have lost all faith in the policy of protection, otherwise they would be prepared to deal with these matters in the Tariff. But, in order to give effect to their cry of "Australia for the Australians," they are now seeking to obtain, by legislative enactment, a prohibition on the importation of certain goods. I do not think that they will be altogether successful in their efforts. They will not be able to fly the flag of "Australia for the Australians" so far as the British Empire is concerned. That phrase should not form the motto of the Ministry, because its general acceptance would simply result in the wiping out of Australia. If we are not prepared to trade with the British Empire and with other nations, they will not wish to trade with us, and, under such circumstances, we might just as well discontinue the running of our mail steamers, abolish our cable services, and live isolated from the rest of the world. Honorable members opposite appear to be actuated by a desire to emulate Robinson Crusoe. I do not agree with the honorable member for Riverina that there is any question of loyalty involved in the amendment. I consider that Ministerial supporters are thoroughly loyal to the British throne, but, at the same time, they are not loyal to British trade and commerce. If they object to the amendment, they are not sincere in their desire to extend a preference to Great Britain.

Mr. MCWILLIAMS.—I beg to call attention to the state of the Committee. [*Quorum formed.*]

Mr. JOSEPH COOK (Parramatta) [4.47].—In listening to some of the speeches delivered by honorable members opposite, one is irresistibly reminded of the

extraordinary nature of some of the reasons upon which the ingenuity of the human mind can seize, when it wishes to take a certain course in connexion with any particular matter. That is especially the case in regard to the debate which is proceeding upon this amendment. It has been alleged that the adoption of the proposal of the honorable member for North Sydney would be tantamount to offering an insult to Great Britain. Surely it takes some mental ingenuity to make oneself believe a proposition of that kind. All that is proposed by the amendment is to remove from the clause under consideration the standing insult to Great Britain which it contains. So far from our offering an insult to Great Britain, there is a standing insult to Great Britain contained in the Bill. There is an assumption that she will come here with intent to demolish our trade, and, by every unfair means that she can devise, to destroy our industrial occupations. An assumption like that is necessarily an insult to Great Britain in view of her consistent treatment of us. All that is proposed in the amendment is the removal of this implied aspersion upon her integrity and upon her methods. That honorable members can make themselves believe that, by removing that aspersion, we are offering an insult to Great Britain, seems to me to indicate a mental ingenuity which I, at any rate, am not able to appreciate. Then the honorable and learned member for Corinella spoke of a preference—meaning the preference which was urged with so much pertinacity and eloquence at the last general election—as implying reciprocal action between the parties who enter into these preferential relations. I venture to say that that is the preference of the protectionist who seeks to guard his market against every part of the Empire just as jealously as he guards it against every part of every foreign Empire. That is not the kind of preference that is preached by those who are advocating the acceptance of this amendment. Neither was it altogether the kind of preference which was indicated by the Prime Minister at the last elections. At that time he made it clear that, if need be, he was prepared to grant an unconditional preference to Great Britain. I happened to be able to look up the speech which he delivered upon this subject in the House only a little while ago, and if I am not mistaken he then intimated that he was prepared to grant

an unconditional preference to the British Empire. That is all we are seeking to embody in this amendment.

Mr. DEAKIN.—A preference in unfair competition.

Mr. JOSEPH COOK.—Nothing of the kind. Why should we assume that there is unfair competition between Great Britain and Australia?

Mr. DEAKIN.—We do not.

Mr. JOSEPH COOK.—The Bill assumes it, and provides against it.

Mr. DEAKIN.—Only if it exists.

Mr. JOSEPH COOK.—Let the Government make the assumption adversely to foreign nations, if they choose, but do not let them make it in relation to our own kith and kin of the Empire. That is the distinction.

Mr. ISAACS.—The amendment would not touch Canada, New Zealand, and South Africa.

Mr. JOSEPH COOK.—So far as it goes, it represents our attitude upon this subject. We ask why it should be assumed that there will be unfair competition with intent to destroy our industries on the part of Great Britain? Whatever the Government may assume in their proposals concerning foreign countries, they should at least treat Great Britain as if she were a fair competitor, and I venture to say that the whole history of her industrial relationships with these far distant States has been that of a fair competitor—nay, more, a generous competitor. All that we ask to-day is that she shall be treated in exactly the same way as she has always treated us.

Mr. WEBSTER.—Oh!

Mr. JOSEPH COOK.—I would be obliged to the honorable member if he would cease his interruptions. He is the most ineane man—and the most insulting one—in this Parliament.

Mr. WEBSTER.—Will the honorable member get on with his speech, and shut up?

The CHAIRMAN.—I must ask the honorable member for Gwydir to withdraw that remark.

Mr. JOSEPH COOK.—If he does not, I promise him that I will make him withdraw it.

Mr. WEBSTER.—The honorable member promises what?

Mr. JOSEPH COOK.—I promise the honorable member that I will not tolerate his insults.

The CHAIRMAN.—The honorable member for Gwydir must withdraw his remark.

Mr. WEBSTER.—What remark?

The CHAIRMAN.—The honorable member told the honorable member for Parramatta to shut up.

Mr. WEBSTER.—I recognise that that would be the greatest hardship I could inflict upon him, and therefore I withdraw it.

Mr. JOSEPH COOK.—The honorable member is now only aggravating the insult.

The CHAIRMAN.—I must again ask the honorable member for Gwydir to withdraw his remark.

Mr. WEBSTER.—In deference to you, sir, I withdraw.

The CHAIRMAN.—The honorable member must withdraw his remark unservedly.

Mr. PAGE.—He has done so.

Mr. JOSEPH COOK.—So far from a preference being a reciprocal matter as between the various parts of the Empire, the only knowledge we have of any preference being granted to Great Britain is of an unconditional preference on the part of Canada.

Mr. DEAKIN.—Canada has asked for reciprocity, though.

Mr. JOSEPH COOK.—She has asked in no official way for reciprocity.

Sir WILLIAM LYNE.—Yes, she has.

Mr. JOSEPH COOK.—Sir Wilfrid Laurier has not asked in any official way for it. All that the Prime Minister can quote in that respect are some statements made by Sir Wilfrid Laurier from the public platform. The latter has made it quite clear that under no circumstances will he make a trade bargain with Great Britain which would interfere in any degree with the absolute autonomy of Canada. Far better, he has said, would it be to sweep away all idea of reciprocal treatment than to sanction any interference with the sovereign rights of these far-distant parts of the Empire. So far he has been prepared to grant an unconditional preference to Great Britain, without asking for anything whatever in return. Now we hear for the first time that our idea of preference in Australia is to be put upon a lower plane even than that of Canada. We are further removed from Great Britain than is Canada, and there is every motive to in-

duce us to be more generous in our treatment of the mother country, because Canada has to submit to the competition of the great British-speaking people of the United States of America. Here is an opportunity to give effect to the glowing panegyrics indulged in by the Prime Minister at the last general elections. No one spoke upon this question from the various platforms throughout Australia more eloquently and with greater magnetic power than he did. Here is the close of one of his speeches, which was delivered in Hobart just upon the eve of the elections. I have not the exact words of the speech—I had not time to copy them. But he concluded his address with a brilliant and stirring peroration upon the advantages of a self-contained Empire. He said—

Their policy was to enable Great Britain to fulfil its high destiny, and to bind the parts of the Empire one to another in all that which made for peace, for progress, and for civilization.

Mr. PAGE.—Noble sentiments.

Mr. JOSEPH COOK.—In his last message to the electors of New South Wales, which was published upon the eve of polling day, he said—

The choice of the electors of New South Wales is between fiscal peace and fiscal war, with a further choice as to preference, which we propose to grant, and expect to receive.

There is a suggestion of the granting of an unconditional preference.

Mr. ISAACS.—No; he used the words "and expect to receive."

Mr. JOSEPH COOK.—But those words were not used to indicate the condition under which a preference would be granted.

Mr. ISAACS.—He could not grant it in return for a preference.

Mr. JOSEPH COOK.—May I suggest that here is an opportunity for the Prime Minister to grant a preference to the mother country, and only a very limited and conditional preference at that. The amendment does not embody a proposal for free-trade as between the Commonwealth and Great Britain. It does not interfere with the Tariff in any way. Having regard to the fact that we stand related as we do to the mother country, we may surely rely upon the Tariff already in existence, with such modifications as we care to make in it, to protect us from the unfair competition of her goods and from dumping, if there be any. Surely the Tariff is a sufficient instrument of obstruction between the trade of Great Britain

and ours without these further proposals, which mean, possibly, prohibitive protection, if imports be found to interfere with the organization of our industrial concerns. There is not very much brotherliness in an attitude like that. I venture to say that the terms of the Bill, if carried into effect, would represent an incomplete loyalty between Australia and Great Britain. I am not suggesting now any reference to honorable members' loyalty to the Throne of Great Britain, but I am suggesting a possible want of loyalty to her trading interests, without which her integrity and status could not be maintained. It would strike a blow at her position and prestige in one of its most vital quarters if, under a Bill of this description, we were to impose prohibition. I want to push the matter no further than that. This amendment offers us a chance of showing that we have no desire to injure Great Britain in any degree. Here is an opportunity to remove an implied slur upon her in a way which could not be resented by other countries, or taken exception to on broad international grounds. Here is a chance of removing an implied aspersion upon her integrity, and the assumption which the Bill carries, namely, that she may do us an injury with intent to destroy our trade and industrial life. Though there has been no ground shown, nevertheless the Bill proceeds upon the assumption that there are nations ready to cut into the vitals of our industrial prosperity, that there are nations which with that sinister purpose will set themselves to destroy our industries, and so interfere with the domesticity of our homes, and our ideals of comfort. We ought to exempt our own people from an implied assumption of that kind. That is all that the amendment seeks to do. Yet, forsooth, we are told by our opponents that in removing this implied aspersion upon Great Britain we are actually offering an insult to her. It seems to me to be a very curious process of reasoning which leads honorable members into a position such as that. All we propose to do in this matter is simply to treat Great Britain as she treats us. I submit that clause 14, if carried out by Great Britain in relation to Australia, would ruin our export trade tomorrow. If she were to treat our export trade in a similar way we should be in a bad way, and very quickly too. In this respect it is proposed to do to Great Britain what we would not care that she

should do to us. It would be a sorry day for Australia if the mother country did such a thing. Surely with a Tariff, regulating from the protectionist stand-point any difference in wage rates, industrial skill, and experience, we ought not to go further, and carry out the prohibitions which are possible under this Bill. I repeat that if Great Britain were to treat us and our export trade as it is proposed under this Bill to treat her imports, it would be a sorry day for Australia, and many of our industries would have to seek elsewhere for the market which could not be obtained there. We are constantly interfering with her industrial enterprises and primary productions. Indeed that is one of the main objects of the protectionists in Victoria, and particularly the professed preferential traders. I remember that at the last election the Prime Minister and the honorable member for Melbourne Ports distributed throughout Australia a circular pointing out amongst other things how Great Britain's agricultural productions had declined under free-trade, and the former pointed out that what we seek by means of preferential and empire trade is a market for our primary productions. Surely that is rather a one-sided idea of loyalty to the old country. It does not show much sympathy with the primary producers at Home, when the avowed object of our seeking preferential trade with them is to find a market for still more of our primary productions, in the shape of wheat, butter, cheese, and all those things which we produce in abundance. In advancing an argument like that, we do not take much stock in the welfare of Britain's primary industries. But I am not concerned with that at present. I am only concerned now to show that the ideas of honorable members opposite in relation to all these preferential matters is not that which ought to obtain between members of the same Empire. I remember that, at the last election, one of the Prime Minister's favourite illustrations was that of a great family group, in which one should supply the wine, another the fruit, and another the grain. He went through the whole list of primary products, and said that between the members of the group, there should be unfettered and unrestricted trade in those things which constitute the family stock. Here, instead of carrying out the idea which he advocated with magnificent eloquence throughout Australia, he is interposing a further barrier against some

of the things which one part of the family oversea wants to send us. I appeal to honorable members on the protectionist side as to whether they do not think that the Tariff is a sufficient obstacle to interpose against all goods coming from any part of the British Empire. Surely they can regulate the competition of the Empire by means of a Tariff, without bringing into operation proposals for the shutting down of trade in this arbitrary way! It is not, I repeat, as if this were the alternative of free intercourse. The obstacles which the Tariff interposes to the free importation of British goods will still remain. If that is not enough, let honorable members raise the Tariff, and do it in a fair and above-board way. But do not let them assume, as is done in the Bill, that, unless we protected ourselves against her, Great Britain would intentionally injure us in the way contemplated by the terms of this Bill. All that we propose to do here is to remove from Great Britain the aspersion which the Bill casts upon her *bona fides* with regard to her industrial relationship to these States. The honorable member for Moira asked what are the grounds upon which we support the proposal. From my point of view, the grounds can be readily stated. First of all, Great Britain has no such legislation against us. It seems to me to be an all-sufficient ground in itself that she is of the same family group as we are. We stand in a filial relation to her, as we do not to other nations. Her destiny is our destiny; her highest interests are the same as ours. We seek the same ideals, and have practically the same objective. For 100 years and more now, she has welcomed to her shores anything which we have cared to send, no matter at what cost to her business or trade. She has never, apparently, considered the point, but has given us free access to her markets without let or hindrance of any kind. The fact that she does not contemplate any such proposals as these with regard to our export trade to her shores is, in itself, I submit, an all-sufficient ground for giving effect to this amendment. I do not put it on the ground of generosity at all, but submit that in view of all the circumstances of the case, it would be a just thing to remove this aspersion from her. What are those circumstances? The whole ramification of her industrial relationship to us is opened up here. I do not intend

Mr. Joseph Cook.

to do more than briefly refer to it. In the first place, let me remind honorable members that this is the first time in all history, so far as I know, where a motherland has permitted her Colonies to tax her. Every other country has insisted upon free and unfettered intercourse between herself and her Colonies, so far as history furnishes us with any examples. If there has been a privilege at all, it has been claimed on the side of the motherland as against the Colonies. As a rule, the Colonies have been laid under tribute and made to minister to the wealth, ease, and affluence of the central Government. But here, for the first time in the history of the world, we have an example of a motherland permitting her Colonies in far distant parts even to tax her goods, and to prohibit trade intercourse by means of Tariffs. We have not an example like that anywhere else.

Mr. FRAZER. — Probably that is why Great Britain's Colonies are so loyal.

Mr. JOSEPH COOK.—I am not prepared to deny that. I was going on to observe that this really is the measure of the completeness with which our system of self-government has been granted to us. But I venture to say that if, after this free and generous gift of self-government, we were not loyal, we should not be worthy of the name of Britons.

Mr. FRAZER.—But why alter the conditions by this amendment?

Mr. JOSEPH COOK.—I am not seeking to alter them.

Mr. FRAZER.—We are getting along very well.

Mr. JOSEPH COOK.—I am afraid my honorable friend has not been paying attention to my arguments. I am suggesting that the conditions should remain. I am not suggesting at present any interference with the Tariff, but I am suggesting that we should not put into this Bill an implied aspersion that Great Britain desires to injure our industries.

Mr. FRAZER.—The honorable member is advocating preferential treatment for the products of British manufacturers.

Mr. JOSEPH COOK.—No. That can only be done by means of the Tariff.

Mr. FRAZER.—Then what is the good of the amendment?

Mr. JOSEPH COOK. — This Bill assumes that foreign nations will injure our trade if we permit them to do so. We are providing an instrument here to prevent the possibility of their destroying our trade

by unfair means. I say that it is right that we should assume that the industrial relationship of Great Britain to Australia is fair, and not unfair, as this Bill assumes it to be.

Mr. WILKINSON.—Where does Great Britain's gift to us come in? It is we who have made Australia, and not Great Britain.

Mr. JOSEPH COOK.—I am speaking of Great Britain's gift of self-government. I should be very sorry to be thought unmindful of the part that Australia has played in the building up and maintenance of the Empire. I am not suggesting for a moment that Australia has not taken a part in building up the Empire. I simply say that we have in Australia a magnificent gift of self-government, more complete than any other nation has received from a motherland. I challenge the honorable member to deny that. So complete is this measure of self-government that we are actually given the right to tax Great Britain out of our markets, if we choose. If honorable members desire to keep her out of our markets, for Heaven's sake let it be done by means of the Tariff, and not by the imposition of machinery such as this Bill. The fact that she has given to us this complete form of self-government is a reason why we should strain every point before we do anything which would seem to savour of an abuse of the liberty with which she has so plentifully endowed us. Might I remind honorable members of what Great Britain is doing for us at the present time? Take our trade in the East—who has kept the open door there for us? Would Australia have any chance to get into the trade of the East if it were not for the protection afforded us by Great Britain, and her insistence upon the open door for us—for herself also, it is true, but equally for the Empire at large. But for Great Britain's insistence upon the right to open commerce in the East, we should not be able to send a pound's worth of our goods to Eastern ports to-morrow. The other great nations of the world would take care of that. That is one of the things we do not stop to think of when considering all the trade ramifications of this great Empire of ours. What we receive from Great Britain in the way of protection, of facilities, and of privileges is not always expressed and open to the gaze of the world. Her influence is very often silently exerted on our behalf. Indeed, we could

exercise but little influence for ourselves were it not that we were allied to her in the bonds under which we exist as a part of the Empire. I am speaking now in reply to the honorable member for Moira, who asks what are the grounds upon which we urge this special exemption of Great Britain from the implied aspersions of this Bill. That is my purpose in making these observations. I ask again what chance should we have of insisting upon and enforcing a White Australia if it were not for the protection which Great Britain gives us? Australia, I venture to say, would be overrun by the Eastern nations — I will not say that they would trench upon our cities; I do not know that they would trouble themselves about that—but I do say that we should have had colonies of Japanese and of other Eastern nations in the back parts of Australia to-day but for the relations in which we stand to the great British Empire. Great Britain has made our White Australia policy a possible one. The honorable member for Moreton smiles at that statement, but I should like to hear him prove the contrary. I think that my contention in respect to the White Australia policy is unchallengable. I am certain that but for the benevolent intervention of Great Britain at the time our White Australia legislation was going through, our circumstances even to-day might have been very different from what they are. It is due to the benevolent intentions of the rulers of Great Britain, to the Navy which is always at our disposal, and to the prestige of the British nation in the counsels of the world that we have been able to keep our shores free from the hordes of Asiatics who would else have undermined and defeated our civilization. Might I suggest to the honorable member for Moira, when he asks what Great Britain has done for us, that she has given us practically a "Torrens title" to one of the greatest continents of the earth.

Mr. WILKINSON.—What could she have done with it if we had not been here?

Mr. JOSEPH COOK.—If she had not done something with it other nations probably would, and our circumstances in Australia might be very different from what we find them to-day. Instead of having our £1,000,000,000 of private wealth, this continent might still have been a penal settlement, under quite another form of government. Thanks to the enlightenment of the great country

to which we are proud to belong, and the complete system of self-government she has given us, we have been enabled, without let or hindrance, to build up a civilization here which to-day is the envy of the world.

Mr. WILKINSON.—Thanks to the Australians who protested against the convict system.

Mr. JOSEPH COOK.—May I remind the honorable member that other peoples have protested before, and have not been successful. Our protestations had availed nothing were it not for the benevolent intentions of the people of the Home land. All the protestations we could have made against the continuance of the convict system, or against limited self-government, would have been of no avail had there not been a willing ear and an enlightened mind to receive them. Similar protestations being made to-day in other parts of the world are falling on idle ears. All the considerations which the honorable member suggests from time to time by his interjections, only serve to show the great difference between our position and that of other peoples existing elsewhere as the colonies of other nations. Again, what shall be said of the consular service of the Empire, under which we enjoy the right of entry into and protection within every country of the world, free from the molestation of any man. Under it we are guaranteed our rights and privileges as citizens of the British Empire in any part of the world. I should like to ask the honorable member for Moreton what we pay for all this? Not a penny, so far as I know. We send our trade representatives to the East, and they are there under the protection of the British consuls. They carry on their work to our advantage in a way in which they would not be able to do but for the free and generous way in which these consular services are placed at our disposal. I say nothing of the protection of the British Navy. Every member of the Committee, I take it, is cognizant of the security, peace, and progress which has been possible to us through all these years by reason of the Navy which guards our shores. We may have our aspirations for an Australian Navy. In time, possibly, that may come. I, for one, am not anxious on that score, so long as the great British Navy continues to exist in its present state of efficiency.

Mr. KELLY.—Captain Creswell in his last report says that the real defence of Australia must always rest with the Imperial Navy.

Mr. JOSEPH COOK.—I do not know in detail the opinions of the latest authorities on this matter, I know only that we dwell in peace and security to-day in Australia by reason of the Navy which has looked after us through the period of our development, during 100 years and more. These, I think, are some of the reasons, put upon material, hard, and practical business grounds, why we should stretch a point, if possible, in favour of the great land from which we have sprung. But above and beyond these material and business reasons is the one outstanding reason why we should seek to remove this implied aspersion from Great Britain, and that is simply because she is Great Britain, and our mother country. That, after all, is the great reason—because she is part of the great British Empire, part of the great family of which the Prime Minister spoke so eloquently upon the occasion of the last elections. Because, to use the honorable and learned gentleman's illustration, we should so act in every way that each member of the family might contribute to the family stock of prosperity and progress. For these reasons we ought not to pass any legislation which asperses the integrity of Great Britain's industrial relations to these far-distant parts of the Empire. After very careful consideration of this matter, I do not hesitate to say that if we put this Bill in its present form on the statute-book of the Commonwealth, it will indicate in the clearest possible way that there is an incomplete loyalty between Australia and the old country—incomplete, I repeat, and explain, only from the industrial point of view, and only in so far as our trading relations with her are affected. I do not now refer to the kinship of race and blood, which I believe is as firmly cemented in every part of the British Empire to-day as it has ever been. As to that aspect of our loyalty to Great Britain, I believe it is stronger to-day than it has ever been before. But is not that in itself a reason why every possible avenue of intercourse with her, industrially as well as in every other way, should be kept reasonably open? I say that if our industrial conditions prevent free intercourse, as is constantly alleged by those on the protectionist side of the fiscal

controversy, for goodness' sake let those who think so give effect to their views by means of the Tariff, and not by means of these special prohibitive enactments. That much is due to Great Britain from us in consideration of all the material benefits which I have tried to enumerate, and because we belong to the same family, and are loyal members of it. I have no more to say on this matter, except that a nation such as Great Britain is, with all her past history, and past relations to us, demands at our hands the best treatment we can give her in connexion with this special prohibitive legislation. We belong to an Empire that long ago abolished slavery, to an Empire which has spread to the ends of the world the principles of Christian civilization, and has done more than any other Empire to open up the dark places of the earth to civilizing influences. To-day she occupies a position amongst the nations of the world which makes them envy her, and desire to imitate her. I venture to say that she is exercising an influence upon the destinies of the world paramount over that exercised by all other nations. Our ideals are hers. Our civilization is hers. We build upon her pattern—trying to improve it if we may. But now, as hitherto, she is our pattern and exemplar in all those things which make for the extension and the maintenance of civilization. She has been our friend and protector for a hundred years, guaranteeing to us in these distant lands unmolested progress in all the arts and sciences of life. And now, after we have grown up and become a self-contained nation, both in point of influence and of population—now that we are able to shift for ourselves if need be, we, forsooth, are showing in our legislative enactments that we have suddenly become afraid of this great motherland—afraid of the injury which she may inflict upon our industrial enterprises—afraid of the way in which she may assail our homes and the standard of comfort that we have set up. It seems as if it had taken us a hundred years to become afraid of all these things happening to us at the hands of the nation which has proved herself to be the greatest friend and benefactor that Australia has ever had. I appeal to honorable members to remove all traces of that feeling and of that fear from this Bill; and we shall do that, I think, most effectively by voting for an amendment which, while leaving th

Tariff as it is, will proclaim once and for all that, so far as Great Britain is concerned, we will regard her intentions as honorable until we have evidence complete and unanswerable to the contrary.

Mr. FULLER (Illawarra) [5.34].—The speech to which we have just listened, more especially in its references to the mother country, makes one hesitate to address the Committee at this stage. I have listened to many speeches in this House, but I have not heard one which has affected me more than the appeal that has just been made by the deputy leader of the Opposition. Every Australian must recognise that we in this country owe everything to the mother country. We have been living under the complete and peace-giving protection of Great Britain for over 100 years. The great development of Australia, and the splendid markets which we have gained for our produce, we owe exclusively to old England. Last night reference was made to one of our great industries by the honorable member for Laanecoorie. He quoted certain figures relating to the butter industry. But if he had thought for a moment he would have acknowledged—as men like myself, representing a district which is largely dependent upon the butter industry, are glad to acknowledge—that it is not the Australian market upon which we depend for the sale of our produce. Australia affords us a very small market indeed. We are dependent upon what we can get for our butter in Great Britain and the other markets of the world. The amendment of the honorable member for North Sydney provides, in effect, that this Bill shall not apply to goods imported from, and the product of, the United Kingdom. Where should we be if the old country were to retaliate on us by an enactment such as is proposed by this Bill? It is perfectly true that Great Britain is to some extent dependent upon Australian wool for the support of one of her great manufacturing industries. But, on the other hand, it is a well-known fact, especially in connexion with the butter industry, that we are absolutely dependent upon the price which our goods bring in London, where the world's market prices are regulated. I was very much amused when I entered the Chamber last night, after having attended a sitting of the Tariff Commission, to find that the Minister of Trade

and Customs had produced an example of dumping in the shape of a piece of soap from Japan. He told the Committee that, nominally, that soap is imported from Germany, whereas in reality it was of Japanese manufacture. He led the Committee to believe that there were tremendous importations from Japan, which were injuring established industries of this country—that our soap manufacturers could not carry on business and employ labour because of the Japanese competition. This piece of soap was put forward as a magnificent illustration of the evils of dumping. I say with all seriousness, as a member of the Tariff Commission, supporting what has been said by the honorable member for Bendigo and the honorable member for Perth, that throughout the whole of the inquiries of the Tariff Commission dumping has not been proved to exist in Australia in any shape or form. The Minister reminded me of what occurred in New South Wales in 1891 and 1892, when an attempt was being made to sneak in protection. The Bill before us is an example of sneaking in, not protection, but absolute prohibition. The Parliament of New South Wales was told on that occasion that there were tremendous importations of Japanese boots, and that it would be impossible for the local manufacturers to carry on their business unless this sort of thing was stopped. Investigations were made, and what was the result? The only Japanese boots that could be found in the whole of New South Wales were traced by the late Mr. J. H. Want to a place somewhere down in the purlieus of Woolloomooloo, one of the suburbs of Sydney. This German or Japanese soap stands in exactly the same position. The Minister has absolutely failed to produce any evidence of dumping, except a statement by Mr. Coxon, of Numurkah. But neither that nor any other evidence gave proof of dumping to the injury of any Australian industry. Last night the Minister in charge of the Bill left it to the Attorney-General to defend the position. The honorable gentleman said that he did not care whether goods came from Great Britain or from any other part of the world. I, as an Australian, resent that attitude very earnestly. I recognise that we in Australia to-day are dependent on the mother country, and that but for the Imperial protection we could not hold our position for a moment. That being the case, we ought to do all in

our power to give the manufacturers and producers of Great Britain an opportunity to find a market for their products and manufactures in Australia. You, Mr. Chairman, are one of the most earnest advocates in this House of a White Australia, and I do not think there is an honorable member who does not believe in that policy. Can it be thought for a moment that, if we had not behind us the Navy of England, we should be able to maintain that policy for a month, or even for a week? It is because we have that ceaseless protector, the British Navy, always watching our shores, that we can carry out our desires in that direction; and it is a policy which I sincerely hope we shall be able to maintain for all time. When we consider the treatment meted out to us by the old country—when we consider the market provided for our products, and our peaceful possession of this great Continent—is it not only fair that we should welcome the products of the old land? When we hear the Attorney-General aver that he does not care whether goods come from the mother country or from elsewhere, I say that such a declaration of opinion ought to be sent broadcast throughout the Commonwealth. At any rate, if the Attorney-General does not care where the goods come from, I as an Australian, do care. What can be said of preferential trade when we find in the Bill before us provisions in direct antagonism to the manufacturers and producers of the old country. From start to finish—when we have been considering the Tariff or dealing with measures of this description—the efforts of honorable members opposite have not been directed to the exclusion of goods of foreign nations, but of the goods of Great Britain.

Mr. WILKS.—And these are the bulk of our imports.

Mr. FULLER.—That is so. This Bill ought not to be proceeded with until we have the report of the Tariff Commission before us; and I express that opinion in all seriousness and earnestness. The Tariff Commission has been pursuing its investigations since the 16th February, 1905, and a full inquiry has been made in connexion with the particular matter with which the Bill is specially intended to deal. If the investigation is to be attended by useful results, we ought to wait until we have the report of the Commission. That point of view has been submitted by the Chairman, and by the honorable member for

Perth, who is a member of the Commission, and now I, as another member, make the same appeal. I am not at liberty to disclose the evidence that has been submitted to the Commission, but I may say that, in my opinion, we ought not to further consider this Bill until we have the report; to do otherwise would be to pass legislation without the information to which honorable members are entitled. I do not say what the report of the Commission may or may not be; but after inquiries have been conducted in Melbourne, Adelaide, Sydney, and other centres of Australia—after witnesses have been examined so fully, so acutely, and so earnestly—we ought to pause when we find a Bill of this nature introduced as a special means of protecting one industry. The least that the Government can do is to wait until we have before us the results of the work of the Royal Commission—of the work of eight men who have given their full time and earnest attention, and all the ability which they possess, to the investigation of the matter referred to them. If, after that information has been made available, honorable members are prepared to pass the Bill, then that course may be taken in all fairness. If, on the other hand, this Bill be pressed forward, in the absence of the necessary information, it will mean, so far as the Government are concerned, a pandering to one man who represents a big interest in this country; such a step would be unfair to the House and the country, and would indicate, to my mind, that the Government are not fit to hold the reins of power.

Mr. FOWLER (Perth) [5.55].—One reason, and, I think, almost a sufficient reason, why considerable weight should be attached to the amendment of the honorable member for North Sydney is that the Bill sets up a purely arbitrary standard of commercial morality—a standard which goes much further than the most severe moralist, dealing with the subject on this basis, would be prepared to go. If we find that is the case, surely we ought to hesitate before we apply such an artificial standard to those who undoubtedly are entitled to consideration from us. Take a concrete illustration. A person might be employed in buying woollen goods in England, and shipping them to Australia, and have offered to him, perhaps at the end of the season, a considerable

quantity at prices greatly below the market price in England, or the country of origin. The difference in the price might mean a reduction of only 5 per cent., but it would be considerable if the total profits were 10 per cent. When such a man sent the goods to Australia, or attempted to do so, he would, according to the Bill, be under the liability of having it declared that he was guilty of unfair competition.

Mr. ISAACS.—That would only be so if he sent the goods with the intent to destroy an Australian industry.

Mr. FOWLER.—But the importer would have to prove that he had not the intent to destroy; under certain conditions, the onus of proof is on the importer. An ordinary every-day commercial transaction of that kind ought not to be stigmatized as criminal. We ought to hesitate before we apply the word "criminal" to any transaction of the kind between the mother country and Australia. Earlier in the debate the honorable member for Melbourne Ports interjected something about protecting Australia against pauper labour, inferring, of course, that even in Great Britain pauper labour is employed, and that it is necessary to take measures, otherwise than under the Tariff, to put an end to competition arising from that cause. I desire to refer to that phase of the question very shortly. It is, I notice, assumed by those who profess to be protecting the interests of workers in Australia, that if there is a difference of 50 per cent. in the wages here, as against those ruling in Great Britain, there ought to be protection to the extent of 50 per cent. Without revealing any of the evidence given to the Commission, I may say that I believe that amongst other results of their investigation, some very useful little protectionist fictions will be exploded, and that the particular fiction, as to the necessity of high protective duties in the interests of the workers of Australia, will among others be exploded. Those who take the same view as does the honorable member for Melbourne Ports, forget that in most of the industries affected, machinery plays a very large and important part—that, as a matter of fact, the value of the labour, in a great many of the products we wish to protect under the Bill, is not more than 25 per cent. of the whole cost of production. It is obvious that when we desire to protect labour by means of a Tariff, or a Bill of this kind, we can protect only that portion of the goods

into which labour has been introduced. The value of the labour employed in making, say, £100 worth of goods averages, perhaps, £25, and if the difference between the rates of wages here and in Great Britain is 50 per cent., the amount of protection to be given should be equivalent to 50 per cent. of £25. When honorable members have the reports of the Tariff Commission before them, they will see that the cost of exporting goods to Australia, taking into account freight, insurance, wharfage, exchange, and other charges, frequently amounts to more than the value of the labour employed in the production of similar goods in Australia.

Mr. MAUGER.—We have heard that old free-trade gag before.

Mr. FOWLER.—Perhaps the honorable member is an authority on gagging. He has undoubtedly studied economic questions closely and with ability, and it is, therefore, a matter for surprise that he puts forward the contentions upon which he is relying in the fiscal campaign in which he is now engaged.

Mr. MAUGER.—The freight from one part of Australia to another is often greater than that from Great Britain to Australia.

Mr. FOWLER.—I have shown that the Bill is not required for the protection of labour. I am prepared, whenever a Tariff is brought before us, to vote for such duties as will amply protect the workers engaged in Australian industries, and I believe that many who hold the same fiscal faith as I do are prepared to take a similar course. But we must have an absolutely safe basis upon which to make our calculations as to the amount of protection requisite. The question of protecting persons who have insufficient capital, or manage badly, or suffer from lack of customers, is entirely different from the question of protecting the workers engaged in any industry.

Mr. MAUGER.—Money and rents are both higher in Australia than in England.

Mr. FOWLER.—The talk about the need for high duties to protect the workers will be shown by investigation to be mere clap-trap.

Mr. WILKS.—Does the evidence taken by the Tariff Commission bear out what the honorable member is saying?

Mr. FOWLER.—I ask the honorable member to possess his soul in patience until he has an opportunity to read that evidence for himself. The amendment is one which I think the Committee should

agree to, and which I shall certainly support, as a recognition of the essential nature of the relations between Australia and the mother country, and an indication of what I believe to be the general conviction of a majority of honorable members that, wherever objectionable trade may come from, it certainly does not come from the mother country. Knowing as I do the industrial conditions which prevail in Great Britain, I consider it in the highest degree unlikely that any injury to our industries is ever to be expected from that quarter.

Mr. McCOLL (Echuca) [6.7]. — The amendment opens up a very large and important question, and translates the discussion of the provisions of the Bill to a different sphere from that in which we have hitherto discussed them. This is probably the first opportunity which honorable members have had to show the sincerity of their utterances about preferential trade and the commercial unity of the Empire. During the past three or four years, many fine speeches have been made on that theme; but, when the eloquent gentlemen who have been responsible for them are asked to come to close quarters, and to prove the sincerity of their utterances, we are immediately side tracked on to some other subject, and the point at issue is evaded. We are always told what they are going to do, but we are never able to get them to carry out their promises. In the first place, I desire to congratulate the free-trade members of the Committee on their conversion. Hitherto they have appeared strong opponents of preferential trade, and I have been glad to hear the recantation of much that has previously been said by them. There is not the least doubt that, if their education is continued for a little longer, we shall find them, not only favouring preferential trade within the Empire, but ready to impose good and substantial duties against the imports of foreign nations. The question we are asked to consider is whether the mother country shall be placed on the same footing as foreign countries. It has been said that we must prevent unfair competition, no matter whether it comes from the old country or from elsewhere. But what likelihood is there of Australian industries being damaged to any great extent by the unfair competition of manufacturers in the old country? Is there any great risk of any Aus-

tralian industry being seriously injured in that way?

Mr. MAUGER.—Yes. Both the clothing and bootmaking industries may be injured. There are 58,000 bootmakers in England who are receiving only 19s. a week.

Mr. McCOLL.—On the other hand, we have to ask what are the benefits which Australia will receive if she obtains a preference from the old country. Who can compute those benefits? Great Britain imports £210,000,000 worth of products such as form the primary products of Australia. Is it not then advisable to run some little risk to show that we are sincere on the question of preferential trade? It has been asked repeatedly this afternoon where would Australia be if Great Britain treated her as we are ready to treat Great Britain? We send our wheat, grain, and dairy and other produce to Great Britain, and sell it there at prices much lower than those at which it can profitably be produced locally. Our primary products are obtained at what to the British farmer would be sweating rates, and, as a consequence of their importation into Great Britain, he can scarcely live. But what would be the future of our export trade if he successfully demanded the protection of legislation similar to that which we are now considering?

Mr. MAUGER. — A good old free-trade argument.

Sir WILLIAM LYNE.—It would be a good thing to distribute a few slips containing that statement among the farmers in the Wimmera.

Mr. McCOLL.—The honorable member can distribute as many slips as he likes.

Mr. JOSEPH COOK.—It would be the first sensible thing that he had done.

Mr. McCOLL.—He may have to justify his own utterances before his constituents.

Mr. KENNEDY.—The honorable member does not contend that we obtain our primary products under sweating conditions.

Mr. McCOLL.—No. I did not say so. But the British farmer might make that assertion, and might, for his protection, demand the enactment of legislation such as this. If the British Parliament granted his request, what would become of our export trade? This is not a question of free-trade or protection at all, although the honorable member for Melbourne Ports is so ready with his parrot cries that he cannot enter into an argument, and listen to what is being said. I made only one speech

when I was in England recently; but when invited to address a gathering of some 3,000 persons at St. Helens, in Lancashire, I spoke strongly in favour of preferential trade. When I said to my auditors, "Do not imagine that we are going to sacrifice Australian industries," several in the crowd cried "Ah," and I explained that, notwithstanding the output of our great manufacturing industries, there are scores of manufactures which we cannot hope to produce for ourselves for generations to come, and that in regard to them I would be willing to do my best to give the old country a very decided preference. The opponents of the preferential trade movement in the old country ask what evidence can be produced to show that the Colonies are prepared to reciprocate with the motherland, and I contend that the utterances of our public men, or the want of a definite pronouncement by them, on the subject, fully warrant that question. One of the main causes of Mr. Chamberlain's want of success was the absence of any response, on the part of leaders of political thought in the Commonwealth, to the invitations thrown out by him. Even if there were instances of unfair trade on the part of British manufacturers or exporters, it would not be necessary to class them with foreigners. We could meet the case by the imposition of duties, as has been done in Canada. We lately had amongst us a great Imperialist — a man whom we were proud to know, and whose strong Imperial spirit we admired. When he had to meet the difficulty brought about by dumping in New Zealand, he did not proceed in the way that the Government now propose. He did not treat the old land as a pariah, an outcast, or an enemy, but he placed British and Australian goods on the same footing.

Mr. MAUGER.—What goods?

Mr. MCCOLL.—The goods in respect to which complaints have been made as to their being dumped.

Mr. MAUGER. — Such goods were not made in England.

Mr. MCCOLL.—He classed British and Australian goods together. He did not sneer at the pauper labour of Great Britain, as some honorable members here are now doing. He spoke as one who believed in a 'unified Empire. I always expected that, when we came to close quarters upon the preferential trade question, the real obstacles in the way of our arriving at a

practical arrangement would prove to be the extreme protectionists. My view is now shown to have been the correct one. When they are addressing public meetings they mouth freely about preferential trade, and talk about the glories of the Empire and their pride as citizens of it; but when they are asked to move one step towards bringing us into closer relations with the motherland they sneak out of their position and go back upon their professions. My belief is that before long there will be a great political change in Great Britain. A terrible amount of dumping is going on there. At the last general elections in Great Britain the issues were obscured, and I feel sure that before very long a reaction will take place, and that a strong protest will be made against the dumping of foreign goods that is now being permitted. I urge that we should not by means of a measure of this kind try to intensify the feeling among the people of Great Britain that we are not honest in our professed desire to bring about preferential trade. If there is any trouble we should meet it in another way than by classing the people of the old land with Yankees, Germans, Chinamen, and Japanese.

Sir WILLIAM LYNE.—Question!

Mr. McWILLIAMS (Franklin) [6.21].—I think that this is a subject of sufficient importance to warrant every honorable member in freely expressing his opinions.

Sir WILLIAM LYNE.—A promise was given last night that the debate would not be continued at any great length. Otherwise I should have gone on till a later hour.

Mr. McWILLIAMS.—Honorable members will no doubt have made a special note of the speeches delivered by three honorable members who are also members of the Tariff Commission. Although those honorable members very properly refrain from disclosing the information in their possession—and which we are unfortunately precluded from sharing with them at the present time—no one could have more directly or straightforwardly told the Committee that in the light of the knowledge they possessed, the Bill should not be proceeded with.

Mr. WILKS.—They all spoke with a gag in their mouth.

Mr. McWILLIAMS.—They spoke in the light of information of which other hon-

orable members and the country have not yet been able to avail themselves—information of the most valuable kind bearing upon the objects of the Bill.

Mr. MAUGER.—What has this to do with our loyalty to Great Britain?

Mr. McWILLIAMS.—The honorable member trades upon the cry of "loyalty to the Empire" when he is before the electors, and forgets all about it the moment that he is returned to this House.

Mr. MAUGER.—The honorable member does not know what he is talking about.

Mr. McWILLIAMS.—No one is so prone as is the honorable member for Melbourne Ports to stigmatize as paupers the artisans of the mother country, who include in their ranks many better men than the honorable member will ever be. I support the amendment because, it seems to me, that it makes a definite step in the direction of preferential trade, of which I have always been a strong supporter. I was elected to this Chamber as a supporter of that principle.

Mr. MAUGER.—This is a proposal for preferential dumping.

Mr. McWILLIAMS.—We have not had presented to us any evidence of dumping, and the honorable member would be better employed if, instead of persistently interrupting, he produced some facts which would show that the statements made regarding dumping upon our market are well-founded. Three years ago the Preferential Trade flag, under which a good many of us were elected, was hoisted by the Prime Minister. I desire to make one or two quotations from speeches delivered by him in Sydney just prior to the last general elections, and I think that I shall be able to show that the principle which underlies the amendment then received his strongest advocacy. The Prime Minister went to Sydney for the definite purpose—and he was quite entitled to do so—of inducing the electors to return him and his followers to Parliament, in order that fiscal peace might prevail, and preferential trade be brought about. He appeared, in company with the Hon. B. R. Wise, at the Town Hall, Paddington, in support of Mr. Dalley, who sought to win the seat now so ably filled by the honorable member for Wentworth. He said—

He and Mr. Wise, who differed on fiscal questions, found themselves side by side upon the same national platform. In that one circumstance, they had the key to the new situation that was developing. The old shibboleths

had been laid aside, and they had to fit themselves to the new circumstances by which they were confronted.

The Prime Minister then could talk of nothing but the Empire. He voiced the cry of the "Empire for the citizens of the Empire," and we heard nothing of the cry of "Australia for the Australians." He went on to say—

This fact had awakened those who were vigilant and who saw the Empire's necessities. They must view them not from the Australian point of view alone, and not from the British point alone, but from the view of the Empire as a whole. It was from that stand-point that they were bound to decide the issue submitted to them during the coming election. Theirs was a platform upon which protectionists and free-traders could alike join hands. Mr. Wise was as firm in his fiscal faith as he (Mr. Deakin) was, but he realized the fact that they were no longer faced by the same circumstances.

The Prime Minister then made a strong point. He remarked—

There was the plain fact that if they wanted preference to be given to the mother country they must return this (Deakin) Government to the next Parliament with a majority. If the people desired no preference to be given to the mother country, they would put the Opposition into power. The establishment of preferential trade would give the Empire greater strength. It would mean that the people of Australia and the other dependencies of the Empire would obtain a larger share of the Empire trade; it would mean that the component parts of the Empire would be able to trade more to their mutual advantage.

In this utterance we have presented the distinct and clear programme of the preferential trader. Speaking at the Town Hall, Sydney, on the same date, the Prime Minister said—

The real question at issue in regard to the proposals of the Government was the establishment of trade relations with the mother country. Free-trade and protection were the old catch-words. He would show them the difference between the old and the new. It was not a question of free-trade or protection. It was a question of freer trade within the Empire. (Cheers.) In Australia in ten years the imports of British goods had declined by £1,000,000 a year—our foreign imports had increased by £5,000,000. The same thing had manifested itself in Canada and Canada recognised this and granted a preference tariff to the mother country. The decline ceased under that tariff, and in six years the trade with the mother country doubled. What reason was there why the same thing should not apply to Australia? Why should we not become larger customers for British goods.

We are now asking the Prime Minister to carry out his election pledges.

Sitting suspended from 6.30 to 7.30 p.m.

Mr. McWILLIAMS.—When the sitting was suspended I was completing a quotation from an eloquent speech which was delivered by the Prime Minister prior to the last general election upon the subject of preferential trade. The honorable and learned gentleman went on to say—

Why should we not send to the mother country the sum of £14,000,000 which we send abroad? Why should we not give a preference to the mother country so as to buy more from her than from the Argentine? Whom were we called upon to consider within the Empire except citizens of the Empire?

In concluding he said—

They would not tamper with the Tariff, but would stimulate industry. The people could only achieve those objects by returning candidates who would support the Government, because the policy of the Opposition was not preference to the mother country. If the Government were returned with a majority, they would propose preferential trade. Let them make the home land a reality. Their watchword was fiscal peace and preferential trade.

It will be seen that at the last elections the Prime Minister and his party made this question a vital one, and I claim that they are now afforded an opportunity of giving effect to the very principles upon which they were elected. I have a vivid recollection—because I take a deeper interest in this question than in any other—that the Prime Minister intimated that he was prepared to grant a preference to the mother country without seeking anything whatever in return. I find that, when he was speaking upon the Address-in-Reply on 3rd March, 1904, the leader of the Opposition interjected—

The question is: Will the Minister make a substantial reduction of the duties in order to achieve the glorious results that he is picturing?

To which the honorable and learned gentleman replied—

Speaking personally, I am perfectly prepared to do so.

Mr. JOHNSON.—I wonder if he will indorse that statement now.

Mr. McWILLIAMS.—All that we ask is that Ministers shall at least grant some modicum of preference to the mother country—an action which I believe the electors of the Commonwealth would readily indorse. What is the whole policy of the Commonwealth, so far as immigration is concerned? We shall very shortly be asked to sanction the appointment of a High Commissioner in London, largely in order that we may secure suitable immigrants for Australia. I am satisfied that there is nobody

in this House or outside of it who wishes to see an influx of the artisan class into the Commonwealth at this precise moment. The immigrants whom we desire to attract are those connected with agricultural pursuits. The general idea is that upon the seaboard of Australia especially, a much larger number of people should be settled. What is the position to-day? In connexion with every additional acre that is ploughed for the cultivation of wheat, or laid down in orchards, or sown with grasses for dairying purposes, we all recognise that the one object in view is that of export. In the majority of our primary industries our production already exceeds our local consumption. In the sugar industry within a comparatively few years the production must be largely in excess of Australian requirements, and then the surplus must be sent abroad. Where are we to send it?

Mr. PAGE.—Send it to Tasmania, to enable the apple-growers to convert their fruit into jam.

Mr. McWILLIAMS.—Great as is the future of the fruit industry of Tasmania. I fear that it will not be able to absorb the surplus production of sugar within the next few years. If the honorable member knew as much about the manufacture of jam as he does about tropical fruits—

Mr. PAGE.—I know a good apple when I eat it.

Mr. McWILLIAMS.—If the honorable member knew as much about jam-making as he does about the cultivation of tropical fruits, he would know that, as a matter of fact, our apples are not converted into jam. The moment that the Australian production of sugar exceeds Australian requirements we shall have to export the surplus, just as we do in the case of our wheat, butter, wool, and fruit, and the only possible market for the whole of our primary products is that offered by the mother country. As has already been pointed out, Great Britain opens her ports to us, so as to permit of us “dumping,” as the Minister of Trade and Customs would say, the whole of our primary products into that country.

Mr. PAGE.—Other countries take our products, as well as Great Britain.

Mr. McWILLIAMS.—I do not know of any other country which admits our primary products without subjecting them to Tariff duties. It is true that they take our gold and our wool—

Mr. PAGE.—They do, to an enormous extent.

Mr. McWILLIAMS.—But so far as our wheat, butter, and fruit are concerned, the United Kingdom is the only market which is open to us.

Mr. PAGE.—But the prices of the world rule there.

Mr. McWILLIAMS.—I am aware of that, and that is one of my objections to a Bill of this character, which may perhaps hamper the producer, who has to compete in the markets of the world, and so prevent him from producing at the lowest possible price. There is a great national question involved in the consideration of this proposal. I am an Australian, and I yield to none in my desire to see the Commonwealth flourish and progress. But I do think that there is such a thing as national "sponging," just as there may be individual "sponging." All the talk of preferential trade and "the bonds of Empire" is sheer hypocrisy if when a proposal is brought forward in a concrete form we refuse to indorse it. I am a preferential trader under almost any circumstances. I am prepared to grant an unconditional preference to the mother country. I am prepared to increase the duties which we levy upon the productions of foreign countries proportionately as we reduce them upon British goods. If we extend to Great Britain a preference of 5 per cent. upon any article, I am prepared to add that 5 per cent. to the duty we impose upon the importations from foreign countries. I am wholly in sympathy with the declaration of the Prime Minister at the last election that we owe something to the Empire in the matter of her trade relations with us, altogether apart from the question of the national protection which we enjoy at the hands of the British Navy. We owe a great debt to Great Britain, inasmuch as she takes the surplus of practically everything that we produce. If we give effect to the policy of the Minister of Trade and Customs by practically erecting a Chinese wall around Australia, so as to prevent importation, sooner or later those who have to export to the old world will be called upon to face largely increased freights. The factor which chiefly contributes to cheap freights is full bottoms. If we have to send a ship in ballast to any country, high freights must be charged, because half the journey is undertaken at a dead loss,

and the whole of the profits must be obtained from the one voyage. The way to foster the export trade is to secure full bottoms to and from Australia. I hold that we ought to embody the amendment of the honorable member for North Sydney in this Bill, for the purpose of preventing a direct stigma being cast—as the deputy leader of the Opposition has pointed out—upon the traders of the old country. So far as I have been able to gather from the newspaper reports of the proceedings of the Tariff Commission, there has not been one tittle of evidence adduced to show that there has been any dumping of goods in Australia on the part of Great Britain. The dumping of which complaint has been made, has come largely from Germany, Japan, and the United States.

Mr. KENNEDY.—Then this Bill will not affect Great Britain.

Mr. McWILLIAMS. — If the mother country is trading honestly with us, I do not think that we ought to class her amongst those whom the Minister has charged with a direct attempt to crush Australian industries, with a view subsequently to fleecing the Australian farmer by charging him an increased price for his agricultural implements. I do not blame the Minister for having made that charge, because it provides his only justification for the introduction of a Bill of this character. He has given us to understand that there has been a deliberate attempt on the part of some manufacturers to secure Australian trade for the ultimate purpose of fleecing the local consumer. But not one tittle of evidence has been forthcoming to show that anything of the kind has emanated from the old country in her trading relations with the Commonwealth. I have never believed in the doctrine that we should regard every man as a criminal until he has established his innocence. I hold that we should regard the traders of Great Britain as innocent of any desire to wreck Australian manufactures for the purpose of securing the whole of our trade until evidence is forthcoming of their guilt. We should not be called upon to legislate in the dark. From the evening newspaper we learn to-day that the Tariff Commission has completed the taking of evidence. The only reason I can assign for the attempt of Ministers to force the Bill through the House before that evidence is furnished is that they are afraid that it will not substantiate the charges which they have made

here. It is rumoured that many of those who believed that the Tariff Commission was going—

The CHAIRMAN.—The honorable member must not discuss that matter.

Mr. McWILLIAMS.—It is not fair to ask us to proceed with the measure until that evidence, which is already in type, has been circulated. I sincerely hope that the third reading of the Bill will not be agreed to until it is available. There is no reason why it should not be in our hands in a very short time. In view of the fact that the collection of this evidence has cost Australia many thousands of pounds, and represents the hard labour of some of our ablest public men for seventeen months, it is not fair either to the Chamber or to the country that it should not be circulated before the Bill is disposed of. I hope that, in view of their protestations in favour of preferential trade, the Prime Minister and his followers will show their consistency and earnestness by agreeing to the amendment.

Mr. JOHNSON (Lang) [7.47].—

Sir WILLIAM LYNE.—Is the honorable member stone-walling?

Mr. JOHNSON.—I have not yet said a word on this amendment. I do not know that the Minister has any right to suggest that there is anything in the nature of a stone wall because an honorable member happens to rise to say a few words in support of the amendment. In my opinion, it is most unwise to unduly rush through a measure containing clauses which are so pregnant with the possibility of rupture, if not ruin, in connexion with our trade relations, not merely with the British Empire, but with the rest of the world. Part III. contains certain highly objectionable provisions, and the honorable member for North Sydney has proposed an amendment to prevent their application to the mother country. Practically speaking, his amendment amounts to a declaration of preference in matters of trade with the mother country. Ministers, including the Minister of Trade and Customs, have frequently given voice to the most lofty aspirations about the necessity of drawing closer the bonds of friendship between Great Britain and Australia, the bonds which unite us in one common Empire, and similar high-flown and very laudable sentiments. The amendment is designed to give them an opportunity to carry into effect their professions. I sincerely hope that they will be seized with the purpose

of the amendment, and its appositeness to their so-oft-repeated professions, and, by agreeing to our suggestion, and embodying it as a Ministerial amendment in this part of the Bill, will render a vote upon it unnecessary. In opposing the amendment, Ministerial supporters, apparently, have lost sight of the fact that we already have a Tariff against the goods of the mother country. As a further proof of their desire to unite the whole of the British people in one great Empire, they come down with provisions which will impose still greater barriers against the trade of Great Britain with Australia. I have not the slightest sympathy with any legislation of that character. I make no secret of the fact that I for one am willing to pull down, stone by stone, the Tariff wall against Great Britain, until not a stone is left. That is the way in which I would show my desire to unite the whole of the British-speaking people. What I would do in the case of Great Britain I would also do in the case of other British-speaking communities. I would extend similar consideration to the people of all other countries, and thus carry out that grand principle—which, I believe, the honorable member for Melbourne Ports is so fond of expounding on various occasions—of doing unto others as we would they should do unto us.

Mr. MAUGER.—Hear, hear; that is a good motto.

Mr. JOHNSON.—The honorable member applauds the principle with his lips, but how does he carry it out in practice?

Mr. MAUGER.—Ah! that is the point.

Mr. JOHNSON.—The honorable member is not only engaged in supporting a Tariff wall against the products of the mother country—a thing which he would resent if she were to erect a similar wall against the importation of Australian products into Great Britain—but he is now proposing to place further disabilities upon British exporters to this country. That is the way in which he carries out the principle for which he professes so profound an admiration.

Mr. LONSDALE.—What principle is that?

Mr. JOHNSON.—The honorable member has just applauded with his lips the principle of doing unto others as we would they should do unto us. We have so many of these lip professions that we are entitled to ask honorable members opposite to prove their sincerity by carrying the principle into

effect. An opportunity is afforded by the amendment to carry the principle into effect in regard to the mother country. Let us do unto Great Britain not only what we would she should do unto us, but as she has been doing unto us since our existence as Dependencies of the Empire. When I listen to honorable members opposite proposing to put disabilities in the way of trade with our own kith and kin in the mother country, I feel ashamed to think that I have to call them fellow Australians. They talk about the principle of Australia for the Australians. This is carrying out the idea to an absurd extent. Only a little while ago the honorable member for Moira declaimed against our idea of maintaining loyalty to the mother country by opening our ports to her products, and he asserted that if we want to be loyal we should be loyal to Australia. I am one of those who do not want to be otherwise than loyal to Australia, and I shall always resent any attempt to cast upon me an aspersion of that character. In being loyal to Australia, however, we can also be loyal to the Empire, and loyalty to the Empire does not in any way mean disloyalty to Australia; but on the contrary is the highest form of loyalty and patriotism to this southern land of ours, and which is only ours to-day because the motherland has given it to us, and her powerful arm protects us in secure possession. On the other hand, there is a species of loyalty to Australia which is only a thinly-veiled disloyalty to the mother country, and that is the bogus kind of loyalty which I certainly raise my voice against and despise. The amendment provides honorable members on the other side with an opportunity of proving the sincerity of their profession of a desire to draw closer the bonds of union between the people of the English nation and ourselves. By their vote we shall be able to understand exactly what their professions are worth. If they vote against the amendment, I hope that we shall hear no more of that kind of profession from them, because they then will have been completely exposed. This part of the Bill is most far-reaching in its effects upon the whole of the trade of Australia. If the Bill should pass into operation with its more objectionable features unamended, or in anything like their present form, we shall have to take steps as soon as possible to undo legislation of such a mischievous

character. Let us imagine for a moment that a clause of the kind were passed by the British Parliament for the purpose of injuring or destroying Australian imports, and carried into operation. Where would our export trade with the mother country be? It would vanish. And where would we be then? Yet it is assumed that our kith and kin in the mother country will send goods here, not for the purpose of honest and legitimate trade with us, but for the purpose of injuring and destroying our industries with felonious intent. I refuse to believe that they will. I decline to be a party to any legislation which assumes that they will. It is a shame and a discredit upon the Ministry that a Bill containing such imputations and allegations against the people of the mother country should be introduced here. I consider that the Opposition are fully justified in opposing its passage with all the strength that they can command. I realize that our efforts will be futile. The Minister is sitting in his chair calmly conscious of the fact that he can rely upon a mere brutal majority, who do not even attend in the Chamber to listen to argument or criticism.

The CHAIRMAN.—Order!

Mr. JOHNSON.—I will say, sir, that the Minister is simply relying upon the force of numbers, as I have no desire to hurt the feelings of honorable members opposite by the use of over-strong phrases. It is only the knowledge that he has the numbers behind him that enables the honorable gentleman to bludgeon legislation through this House when it is shown that it is mischievous in its character and is likely to be followed by consequences most serious to the commerce, industry, and prosperity of the country. I know that it is useless to address arguments to the honorable gentleman or to submit facts for his consideration. He does not want either. All he desires is the passage of legislation which will entrench upon the privileges of Parliament, and its control over taxation. He desires that we shall give to an irresponsible body outside a power to control the trade and commerce of the country, so that by the actual prohibition of imports, at the Minister's sweet will, such extreme protection shall be afforded to local manufacturers as will enable them to establish local monopolies. Arguments fall upon deaf ears in contending

against legislation of this character, but I have no hesitation in declaring where I am on this amendment. I shall vote for it, and whenever I get the opportunity I shall be prepared to afford our kith and kin in Great Britain every facility to trade with us on fairer terms than they can do at the present time. I am prepared to pull down all barriers against free ingress and egress to our ports. I shall always be found voting in the direction of reducing Tariff duties, which already hamper our trade with the old country.

Mr. LONSDALE (New England) [8.4].—I support the amendment, because I am a free-trader. The honorable member for Echuca has tried to be funny at the expense of free-traders in this Chamber, and has said that we are giving up our principles in supporting this amendment. I am afraid I am unable to give the honorable member credit for very much intelligence if he believes that. The honorable member spoke as a preferential trader. We are not preferential traders of his kind, or like those who are responsible for the introduction of this Bill. We are prepared to admit the goods of other countries to Australia free. If we are unable to do so, then we are prepared, if possible, to admit British manufactures free. The honorable member for Echuca referred to the way in which he spoke to an immense crowd somewhere in England. He told them about our love for the old country, and that we were prepared to assist them by some kind of preference. What kind of preference? The honorable member said, "We will not let your goods come in free. We shall keep our Tariff up against the goods you send us, but we desire that you shall impose a duty upon goods coming from other countries similar to those which we send you, and let ours in free, and thus make it harder for your poor to live, so that we may pocket something at your expense." That is the preferential trade of the honorable member for Echuca, and of honorable members opposite.

Mr. McCOLL.—That is not what I said this afternoon.

Sir WILLIAM LYNE.—Surely the honorable member for Echuca did not tell English people that?

Mr. LONSDALE.—Of course, the honorable member did not; but it is just the kind of thing which the selfish protectionists proclaim. They never desire to

help themselves, but some other fellow, and yet all the time they are seeking to get their arms up to the elbows in other people's pockets. The honorable member for Echuca, the Prime Minister, and other protectionists desire that the British people shall impose duties upon the goods sent to them by other nations, and not upon the goods we send. They desire that our advantage shall be considered, even at an increased cost to the poor of England, that our farmers may pocket something at the expense of the British poor. The honorable member for Echuca calls that love for the old country. If honorable members can point to anything more mean and more despicable than that kind of preferential trade, I should like to know what it is. If I appear to have spoken strongly, it is because the honorable member for Echuca sought to sneer at free-trade and free-traders in this Chamber who, in supporting this amendment, show that they are prepared to give an honest and not a pretended preference to the old country. The Canadians in their Tariff gave a preference to Great Britain without asking for anything in return. They did not ask that the people of the old land should penalize themselves for their benefit. They simply said, "We will give you a preference against all the other nations of the world." That is what we are asking for by this amendment, that an absolute preference should be given to England. We will know who the true preferential traders are, and who are the bogus and hypocritical preferential traders when the vote on this amendment is taken. We have heard a great deal about preference to Great Britain from the present Prime Minister. The honorable and learned member has talked about the Empire, the necessity for all its parts standing together, and for having freer trade between them. To-day, honorable members opposite are not talking of preference to the old land. They are talking of Australia for the Australians. Last night we had an honorable and learned gentleman opposite rebuking a member of this House because he stated that he was prepared to let British goods come into Australia, even though they injured Australian industries. He stated that he was no Australian if he did so. This rebuke was by a preferentialist who claims to be a lover of the old land. I am an Australian born, and I have a family of Australians, but I love the old land

better than to desire to obtain any advantage for Australia at her expense. No vote of mine will ever be given to place any disability upon men of British origin. I shall never adopt the policy that because a man is an Australian, and only because he is an Australian, he must be preferred for any position to a man of British origin who is not Australian born. I say that the honorable and learned gentleman who made the statement to which I have referred, shows what little love he possesses for the old land. England has been the home of the outcast. The British people have ever had a friendly feeling for those who have been tyrannized over in their own lands. The honorable and learned gentleman to whom I refer is a descendant of two great races. He is a descendant of the great and noble Jewish race, and the country that has stood by the Jewish people, protected them, and given them equal rights with other men, is the grand little land yonder. Time and again she has opened her doors to provide an asylum for people of the race from whom the honorable and learned gentleman has come. Yet he dares to say here that the man who would give a preference to the land that has offered an asylum to his race is a traitor to Australia.

Mr. STORRER. — The honorable and learned gentleman did not say that.

Mr. LONSDALE.—He did not say that. But what did he mean? What the honorable and learned gentleman said was that such a man was "no Australian." What did that mean but that he was a traitor to this land, if he would give a preference to the little land yonder, the land of freedom, that has ever been an asylum for the oppressed. I believe that the honorable and learned gentleman's parents were of the Polish race, a noble race of people, who in times gone by have given their lives for freedom. They have laid down their lives in order to preserve the freedom of their own country. Yet this honorable and learned gentleman dares to make the remarks he did about the country that has helped that oppressed race, and has found an asylum for them. I say to his shame be it, that he should make such statements here, and in the way he did. I say that such statements were beneath the contempt of honorable members who listened to the honorable and learned gentleman's remarks. I admit that I am here to give a preference to Great Britain. The butter, fruit, frozen meat and tinned meat which we send to

England by competing in that country with the home products, keep the prices of those products down, and lower the remuneration of the people who are engaged in producing them there. If the British people applied the principle of this Bill, they would seek to impose Customs duties upon the goods which we send them, and to prevent their importation. They are produced here under much more favorable circumstances than they can be produced in England, and for that reason, if the people of England adopted the principle of this Bill, they would be justified in protecting themselves from the competition of those goods. But England opens her ports freely to us and to all the world, and if Australia would but take a lesson from the grand old country, instead of developing the narrow close selfishness of protection as she is doing, it would be better for her, and better for her people, in the days that are to come. I shall always be found upon the side of the country from which we have sprung. We were told this afternoon, in an interjection, that "We made this country, not Great Britain." I wonder where on earth we should have been if Great Britain had not been behind us. I wonder what would have become of this country had it not been for the force and prestige of the old land. Yet in our little simplicity and in our puny selfishness, in our arrogance and pride—though I do not know what we have to be proud of—we say, "We made this great country." We have done all we could to destroy it. The legislation of this Parliament, it appears to me, instead of assisting to elevate and develop the country, is calculated to bring us into contempt everywhere. It is calculated, instead of making us a great and noble people, to do us just the reverse. Those who talk of our having made this country ought to hide their heads in shame, for Australia would have belonged to some other people had it not been for the power of England. I believe that the principles of freedom are best for us all, and that what we want in this country is not more restriction, but less of it. The Government have just lately placed before us a new mail contract that has been referred to in high terms. The effect of it is to be to shorten the journey to the old country. But the Government, if they are to be consistent, ought to block our ports. The legislation which we are dealing with should lead us,

not to have fast steam-ships, but to go back to the old sailing boats of the last century. Why should we pretend that we want faster steam-ship communication, whilst at the same time, by the legislation they propose, this Ministry seeks to restrict and destroy trade with every country? These restrictions are for the benefit of the few, not of the many. They are calculated to make men rich at the expense of the community. And that is all any restrictive legislation ever did or can do—to rob the multitude, to put wealth into the pockets of a few. The Minister who is in charge of this Bill would not allow the matter to remain in abeyance until the reports of the Tariff Commission were before us. He knew that once those reports were in our hands this Bill would be doomed. There is no evidence in favour of it. It is a Bill to benefit about two firms in the State of Victoria. One of those firms is British. If I had my way I would exempt Canada, as a part of the British Empire, from the operation of this measure. I would allow the products of that country to come in without restriction. We are justified in the strong opposition we are making to the Bill. If honorable members wish to give Great Britain a true preference, there is no other way than that proposed by the honorable member for North Sydney. Until we stand out for greater freedom we shall never develop a spirit that will give us strength to compete with the world in every department, but shall remain a weak and spineless nation.

Mr. HENRY WILLIS (Robertson) [8.20].—The turn which the debate has taken ought to be satisfactory to the Minister of Trade and Customs, because in the past he has been very loud in expressing his views in favour of preferential trade. Preferential trade with Great Britain is a great policy that is worthy of realization. The honorable member for North Sydney has been very wise in proposing the amendment before the Committee. The Bill, without such an amendment in it, would certainly have the effect of shutting out the manufactures of Great Britain, because it says that, if those manufactures would probably lead to Australian goods being either withdrawn from the market, or sold at a loss, or produced at a lower remuneration for labour, they may be excluded. We cannot read those words without recalling to mind the addresses delivered throughout England by Mr. Chamberlain about

two years ago. He stumped Great Britain advocating preferential trade. Mr. Chamberlain then pointed out that the manufactures forming the secondary industries of Great Britain should be transferred to the dependencies of the Empire, amongst which he especially mentioned Australasia, laying special stress upon the States forming the Commonwealth. He pointed out that the loss of trade to Great Britain per annum was something like £45,000,000; and that, while that might be accounted for to some extent by the lower cost of production, owing to improved machinery, there were, nevertheless, in the manufacturing centres of Great Britain 166,000 operatives out of employment. He appealed to the statesmen of the Dependencies of the Empire, and said, "Will you not do something for us at Home?" The large-hearted Minister of Trade and Customs, who then sat in the shades of Opposition, came down to this House with a motion in favour of preferential trade. What has become of that motion? What has become of his ardour for trade with Great Britain? What has he to say now, when he has an opportunity to bring forward legislation that would accomplish preferential trade? What has he to say in excuse for himself? The honorable member for North Sydney has done the Commonwealth much service by giving the Minister an opportunity to redeem a lost laurel; for it did seem that he had been shuffled into a place in the Ministry which prevented him from bringing forward his cherished proposal. The amendment proposes to grant preferential trade to Great Britain by saying that an embargo shall not be levied upon the goods of that country—the products of the traders, merchants, and artisans of England, who are paying 15s. per head for a navy for the protection of Australia and of Australian trade, as against 1s. per head that we in Australia are paying under the Naval Agreement. Mr. Chamberlain said that in twenty years, the time when effective legislation could be passed to give effect to the idea of preferential trade would have passed. Is not the Minister of Trade and Customs going to take any action? Is he not going to follow the example of the late Mr. Seddon in saying that, whilst we legislate against dumping and the sending of surplus products from foreign countries, produced by people who have no interest in British artisans, we will give a preference in favour

of Great Britain? These are fair stipulations to make. They are similar to the proposals of Sir Wilfrid Laurier, in Canada, when he said—"Great Britain has given us the advantage of trading with foreign countries under the most favoured nation clause of treaties entered into by her, an advantage which we could not have obtained for ourselves." These are great advantages, which could not have been obtained but for the prestige and power of Great Britain. Can we not be friendly? Can we not say to our kith and kin that we will place them on equal terms with our own workmen under this Bill, and give the latter the one advantage which Mr. Chamberlain said might be given. Mr. Chamberlain urged that the Tariff which now exists might continue against the foreigner, but that lower duties should operate against the British manufacturer and exporter, so that the latter might be able to command that part of the trade which is so dear to Great Britain. The Minister of Trade and Customs has spoken of the importation of metals and machinery, and Mr. Chamberlain referred to tin-plate ware and ironmongery; and these embrace about £7,000,000 worth of trade. In the famous speech which Mr. Chamberlain delivered at Glasgow, and repeated in other parts of Scotland and in England, he stated that the trade with the Colonial Empire represented £40,000,000, and urged that it ought to be made greater for the good of the Empire. The Minister of Trade and Customs, trading on the sentiment that was then abroad, came down with a proposition that appealed to the supporters of the Government of the right honorable member for East Sydney, who was then Prime Minister. The subject of preferential trade was, in that session, discussed by honorable members, including myself, on the Address-in-Reply; and a full-dress debate would have taken place, but for the tabling of the motion referred to by the Minister of Trade and Customs. Did the Minister, after the general election, table that motion for the purpose of blocking discussion? We were then at liberty to show at length the advantage which Australia would derive by the adoption of preferential trade with Great Britain; but the Minister of Trade and Customs brought down his motion, and did not withdraw it at a time when, otherwise, the question might have been discussed. When the hon-

orable gentleman had an opportunity to get in the front place of a Ministry, with the emoluments of office, he followed the protectionist methods he had observed in the State of New South Wales. As soon as he became a member of the Government he said nothing about protection to the manufacturer, though when in the shades of Opposition he, in order to get party support, could talk of nothing else. I wish to know why the Minister of Trade and Customs has changed his views on preferential trade, and I invite him to make a statement on the question. Why has his ardour cooled? Has he ceased to be the Imperial representative he formerly thought himself to be in Australia? Is he not now sitting at the feet of Gamaliel, in the person of Mr. Chamberlain? It would appear that both the Minister of Trade and Customs and the Treasurer think very little indeed, of preferential trade, so long as they can enjoy the benefits of office.

Sir JOHN FORREST.—No, no.

Mr. HENRY WILLIS.—Those honorable gentlemen shake their sides with laughter at the manner in which they have gulled the public, and scooped the pool. They have sat at the feet of Mr. Chamberlain, and prated of preferential trade throughout the Commonwealth; and they are now expected to "toe the mark," and show that they are worthy of the position of Australian statesmen.

Sir JOHN FORREST.—The honorable member is against preferential trade, is he not?

Mr. HENRY WILLIS.—If the Treasurer were oftener in his place in the House he would know what I am in favour of.

Sir JOHN FORREST.—The honorable member's leader is against preferential trade.

Mr. HENRY WILLIS.—The right honorable member for East Sydney is not against preferential trade.

Sir WILLIAM LYNE.—Yes, he is.

Mr. HENRY WILLIS.—The right honorable member for East Sydney is well able to speak for himself, and does not require that I should speak for him. As a member of the Opposition, however, I may say that the right honorable member for East Sydney is in favour of a preferential trade which will remove the barrier as against the Britisher, and raise it as against the foreigner. That is the preferential trade we desire—a real preferential trade with Great Britain. What do

the Treasurer and the Minister for Trade and Customs offer? They offer to give a preference by leaving the duties as they are against the mother country, and raising them as against foreign nations. What advantage would that be to Australia? What advantage would that be to the 166,000 unemployed men in England, of whom Mr. Chamberlain spoke? When the Treasurer was in England as a representative of the Colonial Empire—when he was acting as the representative of the Australian Defence Department—Mr. Chamberlain declared—

Sir JOHN FORREST.—I was not there as a member of the Conference.

Mr. HENRY WILLIS.—I find I am correct in my assertion that the Treasurer was then in England, because I remember reading of his delivering an address there on defence matters. The honorable gentleman was in England with Sir Edmund Barton, and I suppose that, as a member of the Cabinet, he knew that the latter was party to a promise made to Mr. Chamberlain that, on his return to Australia, the best would be done to promote preferential trade between Australia and the mother country. The late Mr. Seddon made a similar promise, and, true to his word as a Colonial statesman, he introduced the necessary legislation. But what do we find the representatives of the Government doing? The Minister of Trade and Customs sits at the table here, and, with the Treasurer, shakes with laughter when I speak of their sitting at the feet of their Gamaliel, Mr. Chamberlain, who stumped his country in favour of preferential trade.

The ACTING CHAIRMAN (Mr. MAUGER).—Will the honorable member connect his remarks with the question under discussion?

Mr. HENRY WILLIS.—The Acting Chairman is evidently not aware of the words of the amendment, which proposes that the clause shall not affect goods "imported from and the product of the United Kingdom." Does that not mean preferential trade? Is the amendment not designed to give preference to British goods? Does the amendment not mean the insertion in the Bill of, practically, the words used in the New Zealand Act, which gives a real preference? That is the connexion of my remarks with the question before the Chair. Why would the Minister of Trade and Customs not assist a policy which

offered a preference to our staple products in Great Britain, and a preferential market for British manufactures to certain foreign imports? That is the proposal that was made to the Minister of Trade and Customs long ago, by the unionist Government in Great Britain, in order that the manufacturers of England might get their raw material at the lowest possible price. Mr. Chamberlain dealt at length with that phase of the question, but took an opposite view from that of the present Prime Minister of Australia, who seeks, by means of this Bill, to increase the cost of raw material to manufacturers, as pointed out by the deputationists to the Minister of Trade and Customs last week. I invite the Minister to step out with the flag of preferential trade under which he stumped the country. Many free-traders at the general election, in their desire for preferential trade, were prepared to stand behind the Government then in power, rather than behind their natural leaders, whom they had followed for many years. When, however, the Minister of Trade and Customs had gained their adherence to the policy that was so fluently advocated by the present Prime Minister, he "went back" on them, and put the proposal under the table. Such action is worthy only of the Minister of Trade and Customs, who is only a trickster in politics—an opportunist who seeks to serve his own ends.

The ACTING CHAIRMAN (Mr. MAUGER).—Order! The honorable member must not use such terms in regard to the Minister of Trade and Customs.

Sir WILLIAM LYNE.—Had it been any other honorable member, I might have taken some notice of the remarks.

The ACTING CHAIRMAN.—The honorable member for Robertson must withdraw the word "trickster," which is quite out of order.

Mr. HENRY WILLIS.—I withdraw the word. The Minister of Trade and Customs has done many acts which in private would cause honorable members to refer to them as trickery; but we cannot conceive of a Minister of the Crown, or an honorable member of this House, representing a constituency in the great State of New South Wales, with a true sense of his responsibilities, tricking the people who follow him.

The ACTING CHAIRMAN.—The honorable member must not follow that line of argument which is not pertinent to the

amendment under discussion, and is distinctly unparliamentary. The honorable member must not speak of another honorable member as a "trickster."

Mr. HENRY WILLIS.—I have withdrawn the word "trickster," as unparliamentary, but I say that, if outside—

The ACTING CHAIRMAN.—The honorable member must not evade a withdrawal by repeating the unparliamentary words in an indirect way.

Mr. HENRY WILLIS.—I withdraw the remark; but I say that, if any person outside were to gather together a following under the banner of preferential trade, and then deceive that following when an opportunity presented itself of carrying the policy into effect, he would be called a traitor, and would never again be followed as a representative of the people. Occasionally there are exceptions to the rule of parliamentary procedure, and I am not permitted to further refer to that phase of the question. What has the British Navy done for our trade? Where would our trade be if we had not the protection of the British Navy? What would become of the tens of millions of pounds' worth of Colonial trade in time of war if we had not the Navy to protect it from attack. For the Auxiliary Fleet in Australia we pay £200,000 a year. That fleet cost the British taxpayer £2,500,000, which represents 1s. per head of our population, as against 15s. per head paid for the protection of our trade by the British workmen whose goods are not to be admitted here. Should we not be a despicable set of people if we refused to trade with our own kith and kin, and resolved to shut out the productions of the horny-handed, hard-fisted workers of that country. The 40,000,000 people in Great Britain contribute largely to our protection, and aid our development in every way possible, asking absolutely nothing in return. That is not the way in which the Continental nations treat their Colonies, which have to contribute to the home exchequers. We, however, pay to Great Britain very much less than the actual cost of the protection which we receive from the presence of her vessels of war in our waters. The Attorney-General has told the Committee that the amendment cannot be accepted, because the British manufacturer might take advantage of the preference held out to him, and dump goods in our markets in order to cripple our industries. That seems to me a very weak argument.

Have we not a Tariff to protect our manufacturers against such importations? And are we not about to receive reports from a Royal Commission appointed to investigate the working of that Tariff? The Prime Minister, in reply to a question asked by me yesterday, stated that, upon the presentation of those reports, he will introduce a Bill to amend the present Tariff. I take it that, in some cases where there are anomalies, he will propose a reduction of duties; but do we not know that in most cases he will propose the raising of duties? How can there be dumping such as would cripple our industries, in the face of a high protective Tariff? No instances of dumping have been put before the Committee. The Minister has referred us to a list of imports totalling in value £7,000,000. But we know, as a matter of fact, that, taking into account the increase of population, the value of our imports varies hardly to the extent of £100,000 a year in tin plates and ironmongery. Mr. Joseph Chamberlain, who calls himself the missionary of Empire, has said that Great Britain expects consideration from the Colonies, which are equally concerned in the development and permanency of the Empire. He wants us to increase the production of Great Britain by taking the products of her secondary industries, while she, on her part, will take from us the products of our primary industries. Has he not defined commerce as the exchange of goods for goods? With that phase of the question I will deal later. When the Attorney-General was sitting on the cross benches, and supporting the Watson Administration, he issued a manifesto for the information of honorable members and the public at large, in one paragraph of which he announced that he favoured preferential trade, and, on one occasion when I was speaking on the subject, he interjected, "Is the honorable member against preferential trade?"

Mr. POYNTON.—Is the honorable member in favour of it?

Mr. HENRY WILLIS.—I, like the honorable member, am in favour of preferential trade.

Mr. POYNTON.—I am not.

Mr. HENRY WILLIS.—Then the honorable member has lost the faith which he had. There was a time when he believed that there should be comparative free-trade between Great Britain and Australia. I am in favour of bringing about preferential

trade by reducing the duties on British imports, leaving the Tariff as it is on foreign imports. The duties on British imports must come down.

Mr. MAUGER.—In some cases.

Mr. HENRY WILLIS.—In every case. Mr. Chamberlain has declared that there can be no compact between Great Britain and her Colonies unless the mother country is given a preference. What preference can we give her, unless we reduce the duties on tin plates and iron manufactures, the chief lines upon which Mr. Chamberlain has asked for preference?

Mr. POYNTON. — Would the honorable member give preference to the productions of India?

Mr. HENRY WILLIS. — I include India in my system of preferential trade.

Sir WILLIAM LYNE.—Oh!

Mr. HENRY WILLIS.—Does the Minister think that any Australian industry will be injured by the dumping into this market of Indian tea, coffee, or rice? If he had any knowledge of our trade with India, he would know how unlikely it is that any Australian industry would be crippled by the dumping in this market of Indian goods. He clutched at the intersection of the honorable member for Grey as a drowning man clutches at a straw.

Mr. HUGHES.—I should like to ask the honorable member for Robertson a question, through you, Mr. Chairman.

The CHAIRMAN.—The honorable and learned member cannot speak now, except to a point of order. Do I understand that he is addressing me on a point of order?

Mr. HUGHES.—What I wish to say may be taken as a point of order, if you, sir, like to regard it in that light. I wish to know whether I shall have an opportunity to make a speech to-night, for I have something to say on this subject, and it does not seem likely that the honorable member will soon bring his remarks to a conclusion?

Mr. HENRY WILLIS.—If the honorable and learned member has something to say, I hope that he will say it. He very often speaks without saying anything. At one time preferential trade was the trump card of the Attorney-General; and the Prime Minister, too, stumped the country in favour of that policy.

Sir WILLIAM LYNE. — The honorable member has said this six times.

Mr. HENRY WILLIS. — Probably I shall say it sixty times before I have finished with the subject.

Mr. MAUGER.—The honorable member would have made a good bishop.

Mr. HENRY WILLIS.—The honorable member for Melbourne Ports is nothing unless he is ridiculous. What has become of the advocacy of the Attorney-General of preferential trade? Was he in earnest when he declared himself to be in favour of that policy, or was he following the example of the Minister of Trade and Customs, and making that declaration only for political purposes? Was what he said only so much clap-trap, like his speech to the miners in his constituency, when he went back on protection, and spoke of whipping the willing horse to death? It seems to me that he is giving merely lip service to the Empire. He is shrewd enough to know the side on which his bread is buttered; but, now that he has got into office, he has forgotten his promises to the country.

Mr. MAUGER.—Is the honorable member in order in saying that a Minister has broken his promises, and is acting only for political and personal ends?

The CHAIRMAN.—I did not understand the honorable member for Robertson to say that any Minister has done that; but if he did say so, I am sure that he will withdraw the words.

Mr. HENRY WILLIS.—Whatever may be your ruling, sir, I shall abide by it. The Attorney-General, by prohibiting the importation of goods which are necessary alike to the manufacturer and the primary producer, is retarding progress and is acting in a manner which ill befits his position. The Prime Minister, too, was returned to support preferential trade, and I ask, why have not he and other Ministers done something for that policy? Of what use are their professions unless something practical is done? Ministers are only playing with the people, and it seems to me that they are serving their personal ends instead of trying to benefit the country.

The CHAIRMAN. — The honorable member must not impute motives.

Mr. HENRY WILLIS. — I withdraw any remarks which may be considered by you, sir, unparliamentary. The Attorney-General advocated preferential trade with a view to getting into office. He has broken the pledges he gave to his constituents,

and has thus been guilty of political dishonesty. We had a right to expect something more from a representative of the people, who is responsible, not only to his constituents, but to every member of this House. I appeal to him to do his duty, and to cease humbugging the public. An opportunity is now presented to those who believe in preferential trade to insure that preference shall be given to importations from Great Britain. Mr. Chamberlain's appeal which aroused the enthusiasm of the Attorney-General and the Minister of Trade and Customs, and induced the Prime Minister to stump the country in advocacy of preferential trade, had no lasting effect. After they assumed office Ministers entirely overlooked the promises to the people on the strength of which they were elected to this House, and I believe that they will very soon be called to account for their dereliction of duty. Mr. Chamberlain pointed out that the English trade was languishing to the extent of £46,000,000 per annum.

The CHAIRMAN.—I would point out to the honorable member that the question before the Committee is not whether Mr. Chamberlain made certain statements, but whether certain words should be included in the clause.

Mr. HENRY WILLIS.—I shall establish the connexion between my remarks and the amendment. Mr. Chamberlain succeeded in satisfying hundreds of thousands of people in Great Britain that preferential trade was necessary, and he made a strong appeal to the people of Australia to assist him in the movement.

The CHAIRMAN. — The honorable member will be in order in making a passing reference to Mr. Chamberlain's statements, but will not be in order in discussing them in detail.

Mr. HENRY WILLIS.—I have no intention to discuss the matter in detail, because that would take up too much time. After the Conference at which Sir Edmund Barton promised Mr. Chamberlain that on his return to Australia he would introduce legislation which would give preference to Great Britain, Mr. Chamberlain said—

My words to Australia are these: Do not increase your Tariff walls against us, but put them down where that is necessary to the success of this policy to which you are committed. This is the parting of the ways. In twenty years it will be too late.

This is the first opportunity that we have had presented to us to give effect to the promise made by Sir Edmund Barton, and I appeal to honorable members to take advantage of it. The Bill as it stands would practically prohibit the importation of goods from Great Britain if their sale in this market would probably lead to a reduction of wages or an increase of the working hours in our factories. If goods can be produced in other parts of the world at a much less cost than they can be manufactured in Australia, their introduction here must necessarily lead to longer hours of work or reduced pay for our operatives if the local manufacturers expect to monopolize the trade. It seems to me that the Bill would operate against Great Britain as well as other countries. Our exports to Great Britain are valued at £12,000,000 per annum, whilst our exports to foreign countries represent an annual value of £17,000,000. It is well known that commerce consists in the exchange of goods, and that it will be impossible for us to receive payment for our exports of primary products, unless we accept from the countries consuming them certain goods in exchange. If we do not accept goods from those who take our products, they will soon cease to trade with us. If we place an embargo upon the manufactures of Great Britain, our export trade with that country will be affected to the extent of £12,000,000 per annum. If we shut out from Australia the manufactures of Great Britain and other countries that are required by our farmers and producers, how can we possibly receive payment for the products that we export? We cannot hope to establish our manufacturing industries within the next twenty years or more upon such a scale that we shall be able to meet all our own requirements, and if the Bill were allowed to operate in the manner that seems to be contemplated, it would reduce us to a hopeless condition. If the provisions of the measure had the effect of increasing the duties upon British imports by 20 per cent., or upon colonial manufacturers to that percentage, we should to that extent reduce the income of our primary producers.

The CHAIRMAN.—Does the honorable member intend to connect his remarks with the amendment? I have been following his speech very carefully, and I cannot see any relation between his observations and the matter now before the Chair.

Mr. HENRY WILLIS.—I am pointing out that, in order to maintain our commercial relations with Great Britain, it is necessary for us to take goods from her in exchange for our products. That seems to me to be the very essence of the question. We must not treat goods sent to us in the ordinary course of exchange as if they were being dumped on our shores with the object of destroying our industries. It is necessary to our prosperity that we should exchange commodities with the old country, and, moreover, it behoves us to do something for the motherland. We must be loyal to the Empire, which has done so much for us. Great Britain engages from time to time in numerous little wars in order to protect her extending trade, and our commerce, in common with that of all other parts of the Empire, is carried on under the protection of the British flag. Surely we should not be indifferent to all the benefits that have been conferred upon us by Great Britain. She affords us her protection, and her manufacturers take from us our raw material and give it back to us in the form of manufactured goods. The motherland has given to us of her best. The leading men in our universities come from the motherland, and in every walk of life, and in every branch of industry, she has assisted us. We should certainly give her a preference over foreign nations. Instead of shutting out her goods, we should do all we can to foster her trade by entering into reciprocal relations. We should follow the example of New Zealand and Canada, and extend to her a real and lasting preference. We should show our appreciation of the spirit which animated the writer of the lines—

For the cause that lacks assistance,
For the wrongs that need resistance,
For the future in the distance,
And the good that we can do.

Mr. CAMERON (Wilmot) [9.13].—Napoleon said, on one occasion, that the people of Great Britain were a nation of hucksters, and I am very much afraid that if he had listened to the speeches of some honorable members he would have spoken of the people of Australia in the same terms. I was much struck with the ability with which the honorable member for North Sydney spoke in favour of according preferential treatment to Great Britain, and I most cordially support his amendment. It seems to me that the Attorney-General did not rise to the occasion. He should

have accepted the suggestion of the honorable member for North Sydney, not only because it is a fair one, but because it would enable us to show our gratitude to the people of Great Britain for what they have done for us in the past. Instead, the Attorney-General, acting, it appears to me, very much as Shylock did in demanding his pound of flesh, said that he could not agree to the request, but that the Government hoped, at some not far-distant period, to introduce a Bill in favour of preferential trade relations with the mother country. He knew full well when he talked of preferential trade that he was speaking of something which the people of Great Britain, by an enormous majority at the polls, had declared against. He knew that there can be no such thing as preferential trade in the near future between any of the British Dependencies and Great Britain. The electors of the mother country have unmistakably declared in favour of free-trade. They have sent the party whose members advocated the imposition of moderate duties in the interests of preferential trade, to the wall. The Government of Great Britain is now composed of men who have declared in the most unmistakable fashion for free-trade. What, then, was the use of the Attorney-General attempting to humbug this Committee?

The CHAIRMAN.—Order! The honorable member must not impute motives.

Mr. CAMERON.—Then I will say what was the use of the Attorney-General attempting to mislead honorable members?

The CHAIRMAN.—Order! The honorable member must not impute motives.

Mr. CAMERON.—If the Attorney-General was not endeavouring to impute motives, what was he attempting to do?

The CHAIRMAN.—It is not for me to answer the honorable member's question as to what the Attorney-General was doing; but the honorable member must not impute motives to other honorable members.

Mr. CAMERON.—I bow to your decision, sir; but in my opinion it was unfair for the Attorney-General to act in the manner that he did last night. He is aware—no man better—that any preference which may be extended to the goods of the mother country must emanate from the people of the Commonwealth themselves. Great Britain has done much for us in the past, and

why should we not do a little for her? Honorable members upon this side of the House do not ask for a reduction in our Tariff duties with a view to giving effect to the proposal of the honorable member for North Sydney. We recognise that there is a majority against us. But surely we are justified in following in the footsteps of New Zealand. Surely we are justified in emulating the example of the late Mr. Seddon, who has been so much extolled by the Prime Minister, and whose unhappy death has been deeply lamented by everybody, and especially by those who hold the democratic faith. Undoubtedly he was a man who recognised his responsibilities to the Empire. Surely this Commonwealth is not going to play second fiddle to New Zealand, and to say that, because of certain mean and contemptible motives, we decline to follow in its footsteps. I appeal to members of the Labour Party, who have time and again declared themselves in favour of free-trade, to assist honorable members on this side of the Chamber to give effect to the amendment which is now under consideration. If they do so, I am quite satisfied that they will never have cause to regret their action. This is not a party question; it is a question of sentiment which should appeal to every honorable member, no matter upon what side of the House he may sit. I am satisfied that if honorable members vote in the direction I have indicated, they will in the future have cause to congratulate themselves upon having risen superior to party politics, and upon having done something, however little, for the country which has done so much for us.

Question—That the words proposed to be inserted, be so inserted—put. The Committee divided.

Ayes	...	...	17
Noes	...	...	30
			—
Majority	...	...	13

AYES.

Cameron, D. N.	McColl, J. H.
Conroy, A. H. B.	McWilliams, W. J.
Cook, J.	Thomson, D.
Fowler, J. M.	Willis, H.
Fuller, G. W.	Wilson, J. G.
Fysh, Sir P. O.	
Glynn, P. M.	
Harper, R.	
Johnson, W. E.	
Lonsdale, E.	

Tellers:

Lec. H. W.
Wilks, W. H.

NOES.

Bamford, F. W.	Lyne, Sir W. J.
Carpenter, W. H.	Mauger, S.
Chanter, J. M.	O'Malley, K.
Chapman, A.	Poynton, A.
Cook, Hume	Salmon, C. C.
Culpin, M.	Spence, W. G.
Deakin, A.	Storror, D.
Ewing, T. T.	Thomson, D. A.
Fisher, A.	Tudor, F. G.
Forrest, Sir J.	Watkins, D.
Frazer, C. E.	Watson, J. C.
Groom, L. E.	Webster, W.
Higgins, H. B.	
Hutchison, J.	
Isaacs, I. A.	
Kennedy, T.	

Tellers:

Mahon, H.
Page, J.

PAIRS.

Kelly, W. H.	Maloney, W. R. N.
Robinson, A.	Crouch, R. A.
Knox, W.	McCay, J. W.
Edwards, R.	Wilkinson, J.
Reid, G. H.	Thomas, J.
Smith, S.	Batchelor, E. L.

Question so resolved in the negative.
Amendment negatived.

Mr. CONROY (Werriwa) [9.29].—Whilst we are dealing with a measure of this character, it is always as well to frame it in as logical a manner as possible. Under such circumstances, I desire to supply a slight defect in the Bill. When the Minister of Trade and Customs was moving its second reading, he admitted that it constituted a departure from any existing legislation. I mentioned that over 600 years ago this had been tried. I have to apologize to the Committee for a slight inaccuracy. I find that it is only 543 years since it was tried, so that when the Minister mentioned that he was introducing something which was entirely novel he was a very long way indeed from stating the actual fact. I propose to introduce into this interpretation clause several definitions which, if agreed to, will have the effect of making the Bill more perfect than it is. I specially look for support from the labour corner, or rather I ought to get support from that quarter. In order that the advantage shall not be on the one side, I intend to move the insertion of three amendments.

Mr. GLYNN.—I wish to introduce an amendment immediately after the word "trade," and if the amendment of the honorable and learned member is to be proposed by way of addition to the clause, my amendment ought to take precedence.

Mr. CONROY.—My three amendments will have to be incorporated in one before the Chairman can decide whether they should be moved in this clause or not.

Mr. GLYNN.—It will not take the Committee very long to deal with my amendment, and by that time, perhaps, the incorporation of the honorable and learned member's amendments may have taken place.

Mr. CONROY.—Very well, I give way to the honorable and learned member.

Mr. GLYNN (Angas) [9.33].—Last night I mentioned that I would move an addition to the clause, with the object of insuring that the provisions of this part should not be operative except in connexion with industries in which labour is protected either by the existence in the State, or in the Commonwealth, of an arbitration law under which an award may be made fixing the rate of wages, or an industrial agreement to the same effect, or in which, in the opinion of the Comptroller-General, and subsequently on reference to him, of the Justice, the rate of wages paid is fair. I think that honorable members will agree with me that unless labour is protected by this part of the Bill it is a farce for us to pass it. I contend that we ought to protect the men who have to bear the brunt of the work, who very often have to live on wages which border on the lines of mere subsistence, and who nevertheless are, as compared with some of the employers, those who give life and character to the community. Last night I elaborated the arguments I have to submit in favour of my proposal. Therefore, I shall content myself with moving:—

That the following new definition be inserted:—

“‘Industries’ means industries to the majority of the workers in which throughout the Commonwealth a Commonwealth law, or a State law or State laws, for fixing the remuneration of labour by award of a Court of Arbitration, an Industrial Agreement, or a Board, applies or apply, or, in which the remuneration of labour of the majority of the workers throughout the Commonwealth, in the opinion of the Comptroller-General, and on reference to a Justice under section 15, of a Justice, is, or, but for the alleged unfair competition would be, fair.”

Mr. WILKS.—Is the object of the amendment to insure that the workers shall share in the advantages of the Bill?

Mr. GLYNN.—The object is to provide that no employer shall be protected against dumping unless he pays a fair wage.

Mr. MAUGER.—How can we ascertain that all over Australia? Employers in Tasmania are not paying fair wages.

Mr. GLYNN.—How can we ascertain any of the conditions as to when the Bill

is to become operative? The honorable member seems to have forgotten the provisions of the Conciliation and Arbitration Act, which refers to the majority of the workers right through the States. It is of no use for the honorable member to ask how we can ascertain this or that rate throughout the Commonwealth when he has tabled a motion in favour of the amendment of the Constitution, with a view to the enactment of uniform industrial legislation.

Mr. MAUGER.—And that is the proper plan to adopt.

Mr. GLYNN.—The honorable member is always waiting for the future. The test of his faith in the efficacy of this Bill, and his belief in its alleged object, which is to protect labour—and it literally bristles with provisions referring to the remuneration of labour—is whether he will accept the principle of the amendment. I cannot see any way of improving its wording, though I may be wrong. If the Attorney-General will agree to the principle, I shall accept any wording. But certainly the test of the sincerity of the honorable member for Melbourne Ports is whether he is prepared to support an express declaration that, if we are going to prevent dumping, labour shall have an equal right with capital to the protection alleged to be given by the Bill. I hope that honorable members on all sides of the Chamber will support the principle of the amendment.

Sir WILLIAM LYNE (Hume—Minister of Trade and Customs) [9.40].—I do not think that it would be possible to work the amendment. Before we could take any action, the Comptroller-General would have to ascertain whether the industry was one—

the majority of the workers in which throughout the Commonwealth a Commonwealth law, or a State law or State laws, for fixing the remuneration of labour by award of a Court of Arbitration, an Industrial Agreement, or a Board, applies or apply—

If the honorable and learned member can show that the amendment could be given effect to without delay and without injury to importers, I should be very much enlightened.

Mr. WATSON.—I understand the amendment to refer to the majority of the workers throughout the Commonwealth, in the opinion of the Comptroller-General or a Justice. It leaves it to the opinion of one or other of the authorities to say whether a fair wage is paid.

Sir WILLIAM LYNE.—Yes, it says—
or, in which the remuneration of labour of the majority of the workers throughout the Commonwealth, in the opinion of the Comptroller-General, and on reference to a Justice under section 15, or a Justice, is, or, but for the alleged unfair competition, would be, fair.

I cannot follow the amendment in that sense. Moreover, if it were left to the Comptroller-General to say what is fair, a very grave responsibility would be placed upon his shoulders. But the main objection I have to the amendment is that, in my opinion, we could not very well give effect to it without considerable delay. The objection which was raised by honorable members opposite to delay in trade in the ordinary sense would, I think, be very much emphasized if this amendment were accepted. I certainly cannot accept it unless it is shown very much more clearly to my mind that it could be worked. I do not think it could.

Mr. GLYNN.—Let the Minister get his law officer to make the amendment more perfect in its wording, and I shall be with him.

Sir WILLIAM LYNE.—The amendment is very much involved. I can only state the effect which I think it would have. At the present time, I cannot see that it would have any other effect than to cause delay and place upon the Comptroller-General a responsibility which I think should not rest upon his shoulders.

Mr. HIGGINS (Northern Melbourne) [9.45].—I think that the argument which the honorable and learned member for Angas used with very great effect very recently, was that the anti-dumping clauses would be perfectly useless to protect anybody in Australia.

Mr. GLYNN.—I did not say that.

Mr. HIGGINS.—I must have misunderstood my honorable friend. I, however, took that to be his argument, and when he submitted this amendment it looked to me as if, because it would be of no good to anybody, he wished to give a share of it to the worker.

Mr. GLYNN.—That is a fine deduction, if the honorable and learned member gets the premises.

Mr. HIGGINS.—I understood that the honorable and learned member spoke against the anti-dumping clauses, and wished to have them in no way applied to industries. However, to make a long story short, I think that, however well meant his amendment may be, it is impracticable, because

the Commonwealth Parliament has power to make uniform legislation as wages, hours, and industrial conditions. We cannot get that power. It is well known that in one or more of our States there is no Factories Act, or Arbitration Act. Gross sweating is practised in the States where there are no established conditions of labour. If the Justice were to come to the conclusion that in such a State there were not good conditions for the workers, he would not be able to apply the anti-dumping provisions to any part of Australia. Those who are in favour of applying them to Australia for whatever they are worth—and I am not at all sure that they would be worth very much for a time—in order that we may not be insulted by men who come here avowedly for the purpose of destroying our industries, should endeavour to make them as effective as possible. We cannot in this Parliament legislate with respect to wages, hours, and conditions of labour. Therefore, in certain of the States we must leave the workers to continue to be sweated, and if the amendment be accepted and the workers in any State are sweated the Justice will not be able to extend the protection of these anti-dumping clauses. As I understand the amendment, it provides that there shall be no protection to any industry, if in that industry wages are not paid in pursuance of an award of a Wage Board, or of an Arbitration Court, or in the opinion of the Justice, the wages paid are not fair.

Mr. MCCAY.—It refers to the majority of the workers.

Mr. HIGGINS.—That may be, but it only increases the difficulty, as I should like to know how we are to find out what wages are being paid to the majority of the workers.

Mr. ISAACS.—Everything would have to be held up until we found out what the numbers were.

Mr. HIGGINS.—That is so. May I point out that the latter part of clause 13 provides by anticipation for what the honorable and learned member for Angas is anxious to provide for.

Mr. HUTCHISON.—The amendment may be all right if clause 13 provides for the same thing.

Mr. HIGGINS.—Clause 13 is not right. It allows the Justice great discretion which in these matters it is clear that he must have. We are justified in assuming that he will act with common sense.

sense, and under clause 13 he must have "due regard to the interests of producers, workers, and consumers." I do not think that we can adopt any more rigid provision to give protection against dumping. I rose to say that I cannot vote for the amendment, which I have no doubt is submitted in good faith for the purpose of protecting the workers, and not for any merely party purposes.

Mr. FOWLER (Perth) [9.48].—I have listened, as I always do, with much attention to the observations of the honorable and learned member for Northern Melbourne, but it seems to me that the construction he put upon clause 13 is rather far-fetched. In my opinion that clause merely indicates to the Justice that he is to look to the interests of the workers, amongst others, in the case of any proposition to exclude foreign goods. That is to say, the interests of the workers are to be regarded only in respect to those foreign goods, and not in respect to their own local conditions. So that, whatever might be done with regard to foreign goods, nothing could be done under that clause which would give the workers any share whatever of the advantages proposed for the manufacturers. I have no doubt that this Bill consists very largely of a series of benevolent propositions couched in such general terms that it is very doubtful if any of them will be found to have very much actual effect. But, admitting that, I say that it is our duty now to put into the Bill some definite provision which will indicate that we believe that the interests of the workers should not be left out of sight in dealing with any proposals to exclude foreign goods. It is all very well to say that the interests of the workers are considered, but I wish to remind honorable members that in some of the industries which this Bill is intended to protect the wages of the workers are anything but satisfactory, and that if actual prohibition of the manufactures of foreign competitors of these industries may be imposed, there is still nothing whatever to indicate how the workers are to receive the slightest advantage therefrom. Although I have circulated an amendment, to be introduced later in the Bill, with the same object as the honorable and learned member for Angas has in view, I am willing that the opinion of the Committee shall be tested on his amendment, the principle being one which I, at least, cannot ignore, and which I am

bound to support. I say, further, that if his amendment is in any way indefinite or defective, it should be the business of the Committee to put it into such a state as will make it most effective for the purpose intended.

Mr. HUGHES (West Sydney) [9.51].—The object which the honorable and learned member for Angas has in view is a very good one, but it does appear to me that the amendment which he has submitted will prove inoperative. As the Minister of Trade and Customs has said, it would throw a very grave responsibility upon the Comptroller-General, and would greatly delay the settlement of these matters. Further, it does not set forth in clear terms what is or ought to be considered a fair thing. I might take a concrete case.

Mr. CONROY.—It is the same in the Arbitration Act.

Mr. HUGHES.—I am aware of that, but I should like to point out to the honorable and learned member that the Commonwealth Arbitration Act does not, and cannot, make provision for any union whose operations do not extend beyond the boundaries of any one State. It is, however, quite probable that we should have an industry located in one State. The circumstances of that State might be such as would not invite any competition or similar activity in any other State. The industry might be one of considerable dimensions, and fairly prosperous, and yet it might be absolutely ruined.

Mr. McCAY.—How?

Mr. HUGHES.—It might very readily be ruined by dumping into the State a sufficient quantity of foreign importations of the articles which it produced. If there be any virtue in the prevention of dumping, it is very clear that it must be prevented, whether the operations of the industry concerned extend beyond the boundary of any one State or do not. For instance, in a State like Tasmania the circumstances of an industry might be circumscribed because of its geographical situation, and for other reasons.

Mr. McCAY.—This amendment will not stop that.

Mr. HUGHES.—I did not say that it would, but in several of the States there are no State Arbitration Acts, and it is only where disputes extend beyond the boundaries of any one State that the Commonwealth Arbitration Act becomes effective.

Mr. GLYNN.—That is not essential to this amendment.

Mr. HUGHES.—Oh, yes, it is. Otherwise the matter must be referred to the Comptroller-General.

Mr. GLYNN.—The Comptroller-General could decide at once.

Mr. HUGHES.—It is with the very greatest reluctance that I give any shadow of support at all to these proposals, and I wish to say most emphatically—

Mr. JOSEPH COOK.—Why did not the honorable and learned member vote?

Mr. HUGHES.—I hope the honorable member will not interrupt. I have been waiting for so long, while an honorable member was standing where the honorable member for Parramatta is now, that I almost confused him with the honorable member.

Mr. JOSEPH COOK.—We are glad to see the honorable and learned member in the Chamber at all.

Mr. HUGHES.—Oh, go home. Remove the honorable member, Mr. Chairman.

Mr. LONSDALE.—We voted.

Mr. HUGHES.—I wish to be allowed to continue.

The CHAIRMAN.—Will the honorable and learned member resume his seat. I remind honorable members that interjections are disorderly at any time, and if they are to be continued I must refer to the honorable members who make them.

Mr. JOSEPH COOK.—Oh, go on.

Mr. HUGHES.—After the honorable member has interrupted me deliberately and without provocation he tells me to go on.

Mr. JOSEPH COOK.—Let the honorable member go on, or go out again.

The CHAIRMAN.—I call upon the honorable member for Parramatta to cease his continual interjections.

Mr. JOSEPH COOK.—Then let the honorable member for West Sydney conduct himself properly.

The CHAIRMAN.—I must also remind the honorable member that when the Chairman calls him to order he intends that the honorable member shall cease his disorderly conduct.

Mr. JOSEPH COOK.—Is that intended for me, Mr. McDonald?

The CHAIRMAN.—Yes.

Mr. JOSEPH COOK.—Most certainly.

Mr. HUGHES.—What I was saying was that the object of the amendment appears to be to restrict the operation of this part of the Bill to those industries in which the workers are paid a fair rate of wages. I take it that that is an object which we all have in view, but the question is whether the amendment will be effective. I say most emphatically that I decline to believe that it is necessary or proper that this part of the Bill should be carried into effect unless it does provide that the people who are actually engaged in the industry benefited by the prevention of dumping get a fair rate of wages.

Mr. GLYNN.—Let us try it.

Mr. HUGHES.—With all due deference to the honorable and learned member, I believe that his amendment will not attain that purpose. If it will, it will be in a very cumbersome, roundabout way, and I am not at all sure that it will effect it in some cases even in that way. It refers, not only to industries to which an Arbitration Court has applied a rate, but also to those in which it may apply one. If we take New South Wales, for instance, while the local Arbitration Court may apply a rate to all the industries in that State, as a matter of fact it has done so only in the case of an infinitesimal proportion of them.

Mr. MCCAY.—I think that the amendment covers the case of industries to which an Arbitration Court may apply a rate, although it has not actually been applied.

Mr. GLYNN.—Of course. It is not necessary to bother about arbitration awards at all, if the Comptroller-General considers that the wages paid in the industry concerned are fair.

Mr. HUGHES.—Suppose there is an industry in the State of New South Wales which does not apply to the Court, but to which, nevertheless, the Arbitration Court of New South Wales may apply a rate. Suppose that the wages in that industry are wretchedly low. This part of the Bill will come into force as against that industry, although the conditions under which the poor, unfortunate people engaged in it are working are such that it does not deserve preservation.

Mr. GLYNN.—There is the State law to protect them then.

Mr. HUGHES.—We are talking about the honorable member's amendment. I want to make it clear that this part of the Bill shall not apply under any circumstances to industries in which men are not

getting fair rates of wages. This amendment would not effect that object.

Mr. GLYNN.—It goes as near as we can get to it.

Mr. HUTCHISON (Hindmarsh) [10.1].—It is necessary to be quite clear about the amendment which has been moved by the honorable member for Angas. This Bill deals with unfair competition, and it provides that "due regard" shall be had "to the interests of workers." I take it that that regard will be to the conditions of the industry and the wages that are paid.

Mr. ISAACS.—Hear, hear; it is all included in that.

Mr. HUTCHISON.—If that be so, precisely the same thing would be done under the clause as under the amendment. The question is whether the clause goes far enough, and whether the amendment proposed by the honorable and learned member for Angas will do something more.

Mr. ISAACS.—It would make the Bill so complicated that it would not be easy to work it at all.

Mr. HUTCHISON.—I think that the Bill as it stands is so complicated that much will not be done under it. I am willing, as I have stated from the commencement, that the Bill shall be passed; but I am not hopeful that it will achieve what the Government think that it will do. I am afraid that it is an experiment that we shall be glad to get rid of. I hope that it will do all that the Government hope, and if I can do anything to make it more effective I shall do so. I can see no provision which goes expressly in the direction of protecting the workers in the Bill as it stands. The only provision that tends in that direction, so far as I can see, is that found in another clause to the effect that when the Comptroller-General thinks that there is unfair competition, he shall ascertain what are the wages paid to the workers in the industry concerned, and what are the conditions in it. It is quite true that in South Australia, Tasmania, and Queensland there are no Arbitration Courts or Wages Boards, except in the case of the clothing trade in South Australia. The Bill therefore means that when the Comptroller-General thinks that wages are unfair in those States, dumping will be allowed to continue. I have not the slightest objection to dumping being allowed under those circumstances. I am not going to be a party to protect an employer who does not pay fair wages. If

we refuse to protect him, we shall induce the employer to agree to Wages Boards or to an Arbitration Court being established. For that reason, unless I hear stronger reasons urged against the amendment than I have heard up to the present time, I feel inclined to support it.

Mr. McCAY (Corinella) [10.5].—I must confess to some surprise at the haste with which the honorable member for Northern Melbourne and the honorable member for West Sydney have criticised this amendment. The Attorney-General interjected that the object of the honorable member for Angas is met by clause 13 of the Bill. Clause 13 provides, upon this point, that unfair competition refers to competition with those Australian industries which are worth preserving, "having due regard to the interests of producers, workers, and consumers." I must confess that I have been puzzled a good deal as to how any Court, or any Comptroller-General, is to apply that test to an industry. "Having due regard to the interests of workers." Does it mean that it is better for a man to be without work altogether, than to work in an industry that pays low wages? That is the only way, it seems to me, in which the interests of the workers can be tested with respect to the question of the preservation of an industry. Are you going to let it be destroyed because the wages are low? If so, I am doubtful whether that would be in the interests of the workers. It seems to me that it would be much better to apply some inducement to the employer, or to put some compulsion upon him, to pay satisfactory wages. And that is what the honorable member for Angas proposes to do in his amendment. He proposes that the anti-dumping provisions shall not be available to manufacturers unless one of three states of affairs exists. First, that the wages are satisfactory for the majority of those employed in the industry, whether they are wholly employed in one State, or are spread over the six States. That is the first alternative—that the wages are satisfactory for, at any rate, a majority of those in the industry. Secondly, that the wages can be made satisfactory by appeal to a Court that has jurisdiction to make them satisfactory; the argument there being that if either employers or employees have a right to go to a Court to get the wages made satisfactory, then the fact that they have not done so is no reason why the anti-dumping provisions

should not apply, because they can always have their remedy by going to a Court of competent jurisdiction. The third contingency is this—that where wages have not been made satisfactory by any Court of competent jurisdiction, and where there is no Court of competent jurisdiction to which to apply in order to obtain satisfactory rates, then you fall back upon the authority that is given under this Bill, that of the Comptroller-General, or a Justice of the High Court. They will have infinitely more difficult cases to determine than any that will be raised by the amendment of the honorable member for Angas. Therefore, we say that where there is no Court available, then the Comptroller-General, or a Justice of the High Court, must form the opinion, and for that purpose must obtain conclusive evidence that the majority of workers in the industry are being fairly treated. I take it that these anti-dumping provisions are not proposed in the interests of a few manufacturers.

Mr. LONSDALE.—Yes, they are.

Mr. McCAY.—I do not agree with that view. They are proposed, I think, in the interests of the community as a whole; and the people to whom we must specially have regard are not the employers, but the employés; and the people whose interests must be watched to prevent an injustice being done to them are the consumers. But this proposal says that a manufacturer shall not be allowed to come to the Comptroller-General of Customs, or to the High Court, with a request to have the goods of foreign rivals prohibited in his industry unless the industry is paying satisfactory wages.

Mr. FISHER.—The honorable member would not object to the manufacturer applying, but he would object to his getting the protection applied for unless he paid reasonable wages.

Mr. McCAY.—He can apply as much as he likes, but this Bill says that facts shall be adduced to satisfy the Court that in the industry that is seeking protection from the foreign rival fair wages are paid. The proposal looks cumbrous at first sight, but when you take it word by word, I venture to say that it is quite clear. There is no other way of putting the matter so satisfactorily; but, so far as drafting is concerned, I am sure that the honorable member for Angas himself would not object to the Attorney-General re-casting the amendment to suit the general frame-work of the Bill, so long as it served the

same purpose. If we are earnest in the desire that our industrial trade legislation shall operate in the interests of the great masses of the community, a provision like this is necessary, requiring any trade that complains of a foreign rival destroying it by unfair competition, at any rate to satisfy the Court that the majority of the workers at least are receiving fair remuneration. I must confess that I differ entirely—with every respect—from the Attorney-General when he says that the words, “having due regard to the interests of workers,” in clause 13, are sufficient. I cannot conceive of the Court taking the view that the interests of workers are being regarded by allowing the workers to be put out of employment altogether.

Mr. FOWLER.—It is impossible to improve the condition of the workers under this Bill as it stands.

Mr. McCAY.—I think so. There is no inducement to the employers to improve the condition of the workers where they are unsatisfactory. But it seems to me that the language of clause 13, providing that the industry shall be worth preserving, “having due regard to the interests of workers,” if it is to be interpreted to mean an industry in which fair wages are paid, ought to be put more clearly. It is better to be employed in an industry at low wages than not to be employed in any industry at all.

Mr. HUTCHISON.—I would rather starve without work than starve with it.

Mr. McCAY.—We can have a living wage without having what we call a fair wage. I think that the line of fair wages is above the line of wages of subsistence.

Mr. FISHER.—It is incumbent upon us to say exactly what we mean.

Mr. McCAY.—Quite so; and I say that “having due regard to the interests of producers, workers, and consumers” means very little for the workers, as an industry is always worth preserving from the point of view of those employed in it. Therefore, I do not understand how a case could arise where an industry would not be worth preserving having due regard to the interests of the workers in it.

Mr. GYNN.—As it is, the Bill does not give the slightest power to improve wages.

Mr. McCAY.—No, it does not. It says that due regard shall be had to the interests of the workers, and then it proceeds to prevent dumping. The proposal

of the honorable and learned member for Angas, however much the wording may be quarrelled with—and I personally am satisfied with it—does impose the principle that when the powers of the State are being invoked by those in Australia who complain of foreign rivals, the State shall be satisfied by some reasonable evidence that the industry deserves its assistance.

Mr. ISAACS.—We are all at one as to that.

Mr. McCAY.—If the Attorney-General is at one with us as to that principle, and if he says that the wording of clause 13, "having due regard to the interests of workers," means anything like this, all I can say is that he is much more sanguine as to what the Court will say that the words mean than I am. If the Attorney-General tells me that he will accept the amendment, with verbal modifications to prevent its hindering the Bill from operating altogether—should he fear anything of the sort—I am satisfied.

Mr. GLYNN.—The Attorney-General will find that the amendment does not affect the operation of the Bill.

Mr. ISAACS.—I think the honorable member for Angas knows my mind.

Mr. GLYNN.—I do not; I think the honorable member desires to carry out the amendment.

Mr. TUDOR.—Honorable members of the Opposition have a great regard for the interests of the workers! They are opposed to the Bill, and would like to see it defeated.

Mr. McCAY.—The honorable member for Yarra may make remarks of that kind; they are just about the sort of so-called argument he is capable of. The *argumentum ad hominem* is the height of his most soaring argumentative ambition.

Mr. TUDOR.—I should not run away from my constituency.

Mr. McCAY.—The honorable member may find that his constituency will run away from him.

Mr. TUDOR.—Then I shall only have the experience of the honorable member himself.

Mr. McCAY.—So far as I am concerned, I followed a portion of my constituency, which was divided into four parts—I could not follow them all. However, all this is quite apart from the question. I am glad to hear that the Attorney-General is disposed to accept the amendment in a shape more

acceptable to his views of drafting. Personally, I do not care what the form is, so long as we get the substance.

Mr. POYNTON (Grey) [10.17].—I am to support the principle embodied in the amendment. Conceal it as much as you may, this Bill is protection in disguise. We have heard Ministers and others, especially the honorable member for Melbourne Port, speak of the "new protection"; and I trust that the amendment of the honorable member for Angas is simply an endeavor to carry out that new protection—to protect the workers as well as the manufacturer. To show how necessary such an amendment is, I may point out that the chief mover and father of this Bill, Mr. McKay, when some time ago, the Wages Board system was applied to Ballarat, removed his works from that city to Braybrook, in order that the number of his apprentices might not be limited, and that he might not be brought under the control of the Wages Board. I take it that if the amendment be embodied in the Bill, any attempt of that kind will deprive the manufacturer of the right of protection against dumping.

Mr. FRAZER.—Such a manufacturer would have to move into a city before he could get that protection.

Mr. POYNTON.—That does not follow; because if a manufacturer paid the ruling rate of wages, and observed Wages Board conditions, he would be entitled to the protection, whether within or without the jurisdiction of the Wages Board. However, the case of Mr. McKay is one point, because he shut down his works at Ballarat so that his employees would not be able to obtain the wages to which the Wages Boards declared they were entitled.

Mr. MAUGER.—That was not the cause of the removal.

Mr. POYNTON.—What I am stating is a fact. Is it not a fact that Mr. McKay did close his factory at Ballarat, and move beyond the jurisdiction of the Wages Board?

Mr. MAUGER.—That was not in order to escape paying the wages fixed by the Board.

Mr. POYNTON.—But Mr. McKay did escape paying the wages fixed by the Board, though I believe he made the excuse that he had more apprentices than he was entitled to employ, and that he wanted them to complete their indentures.

Mr. HURCHISON.—The question is whether Mr. McKay is observing Wages Board conditions.

Mr. MAUGER.—He is.

Mr. POYNTON.—I understand that Mr. McKay is observing Wages Boards conditions now, having received a broad hint to do so.

Mr. MAUGER.—Mr. McKay did not get a hint, but was told straight that if he did not observe Wages Boards conditions we would not work for him.

Mr. POYNTON.—It was not until he was told that if he did not observe Wages Boards conditions he would not be protected against the dumping by the International Harvester Company, that he made the promise. Let us have some provision in the Bill to insure that all the protection shall not be given to the manufacturer.

Mr. LONSDALE (New England) [10.20].—I am against this class of legislation, but if it has to be passed in the interests of the manufacturers, we ought also to protect the workmen. I am prepared to support legislation that will give employes the very best wages. If wealthy manufacturers are to receive advantages by legislation of this kind, it should not be at the expense of their men. There is no doubt that this Bill has been introduced for the especial benefit of one or two men in Victoria; and, as has been stated, the very man in whose interest it was mainly promoted, removed a part of his works from Ballarat to Braybrook, in order to avoid Wages Board conditions. Shortly before last Christmas, an inspired paragraph appeared in the press to the effect that industries were being so strangled that 130 men, who received, in the aggregate, about £200 a week in wages, had had to be dismissed in Ballarat. We may take it for granted that if the amount paid in wages had been greater, we should have been told so in that newspaper. It will be seen that 130 men, receiving £200 a week, means an average wage of about 30s.; and that is the sort of wage that is paid by a gentleman who is asking to have all competition destroyed. This Committee should not legislate for one or two men.

Mr. HUTCHISON.—Is that why honorable members of the Opposition are supporting the Bill?

Mr. LONSDALE.—We are not supporting the Bill. The honorable member for Hindmarsh has supported the Bill right through in the interests of wealthy manufacturers, not caring one dump about the working man. We on the Opposition side have opposed the Bill from end to end, but

we support the amendment of the honorable member for Angas because it gives some fair play to the workers. We are not supporting the other parts of the Bill; and the honorable member for Hindmarsh knows that his statement is incorrect. We ought to give no consideration to men who are making fortunes, unless their employes receive the fullest pay to which they are entitled. The honorable member for Angas, and the honorable member for Corinella, both of whom are clear-headed lawyers, assure us that the amendment will attain the end in view. While I have always held that this class of legislation does not help the workers, but, on the other hand, tends to their injury, my sympathies are just as much with them as are those of the honorable member for Yarra. That honorable member made a remark about honorable members on this side opposing the Bill, but I can tell him that I have more sympathy than he has with the toiling masses, and have done more for them than he has.

Mr. TUDOR.—More harm.

Mr. LONSDALE.—The honorable member for Yarra has raised himself to his present position on the shoulders of the workers, for whom, however, he has never done anything. He takes the stand he does in his own interests, with a desire for his own advancement.

The CHAIRMAN.—The honorable member must not impute motives.

Mr. LONSDALE.—Then I shall say that the honorable member is looking after the interests of the workers, and that he believes those interests are best served by his being here as their representative. That may be taken as ironical, or sarcastic, if honorable members please, but it is all I have to say in regard to the honorable member, who boasts so much of his love for the workers. The Attorney-General and the honorable member for Melbourne Ports, both accept the principle of the amendment, but they only do so because they see that members of the Labour Party are in favour of it. They had no intention of accepting the amendment until they observed the disposition of the Committee to accord fair play to the workers.

Mr. MAUGER (Melbourne Ports) [10.27].—I am not going to say one word about my attitude towards the workers or towards Wages Boards; my attitude is too well known to require any answer from me.

Mr. LONSDALE.—The honorable member was against this amendment a little while ago.

Mr. MAUGER.—I was against putting into the hands of free-traders the power to destroy industries and to prevent wages being regulated at all. I am still of opinion that there can be no satisfactory industrial settlement until the same Parliament that fixes the Tariff also applies the industrial laws. I have a motion on the notice-paper dealing with this question, and there will be an opportunity to test the sincerity of honorable gentlemen opposite in regard to the workers and Wages Boards. If the amendment can be made effective, I am most anxious to see it applied. I contend, however, that we should not punish employers, who are paying fair wages, because the majority of the trade do not happen to be up to their standard. What we ought to do is to get the work here, and then to compel employers to work reasonable hours and pay fair wages. As to the remarks about Mr. McKay, it is only fair to say that the dispute was not about wages, but about the number of apprentices. For some months past, Mr. McKay has been paying full Wages Board rates, even to those apprentices; and I say again what I said by way of interjection, that I do not care whether it is Mr. McKay or any one else—

Mr. LONSDALE.—How much did Mr. McKay pay to the election fund?

Mr. MAUGER.—Not a single penny.

Mr. JOSEPH COOK.—He ought to.

Mr. MAUGER.—Most decidedly he ought to.

The CHAIRMAN.—I must ask honorable members to maintain order.

Mr. MAUGER.—It is only fair to say that Mr. McKay is paying, and has been paying for some months, the wages fixed by the Wages Board.

Mr. FULLER.—Does the honorable member not think that it would be a fair thing to wait for the reports of the Tariff Commission?

Mr. MAUGER.—Those reports have nothing to do with the question we are now considering. If the amendment could be made effective, and could be applied so that it would not injure those who are paying fair wages, I should be prepared to support it; but I am convinced that, as it is at present worded, it is not so applicable. I believe, however, that a

provision has been framed which will meet the case, and I shall be happy to vote for that.

Mr. SPENCE (Darling) [10.31].—The Government should give very careful consideration to the amendment of the honorable and learned member for Angas; but it seems to me that, if the words which he proposes to insert are placed in the interpretation clause, they will operate as a distinct limitation. The point I should like to have cleared up is, what will be the effect of the word "majority"? In New South Wales, the Arbitration Court, when appealed to, fixes the rate of wages, and it might happen, in connexion with an industry extending throughout the Commonwealth, that dumping was being resorted to which would cripple the industry so far as it was being carried on in New South Wales, because high rates were being paid there under an award of the Arbitration Court, whereas in the other States it would not be affected, because the lower rates of wages paid enabled the local manufacturers to compete successfully against their competitors from abroad. The result would be that the New South Wales factories would have to close down. I shall not vote for any provision which is likely to have the effect of decreasing wages, because, even in the best paid industries, the wages are too low, and will have to be greatly increased before they can be regarded as fair. A short time back we heard about capital leaving the country; but the manner in which the city of Melbourne loan has been subscribed shows that there is plenty of money here still. As a matter of fact, this country is so flourishing that our people can afford to pay better wages, and we should do everything possible to increase the rates of wage. As it seems to me that the amendment will not have that effect, I shall not vote for it. The idea of the honorable and learned member for Angas is, however, a good one. I agree with him that the manufacturers alone should not get all the benefit accruing from legislation such as this; the conditions of their workmen should be improved as well as their own. But I should like the honorable and learned member to show that the amendment as drafted will not have the effect that I fear. It seems to me that it would be better to re-draft clause 13, in order to carry into effect the principle embodied in the amendment. It seems to me, as a layman, a

peculiar thing to provide for the giving of powers by a paragraph in an interpretation clause. I think that the machinery for the collection of information by the Comptroller-General should be provided in another part of the Bill. In my opinion, the best thing to do is to re-draft clause 13.

Mr. BROWN (Canobolas) [10.36].—As a general rule, I am opposed to legislation in restraint of trade. I do not claim to be a friend of the importer; but I feel that if we restrict trade we lessen our markets, and, to that extent, reduce the value of our production. I admit that there are unfair traders, with whose operations the State must interfere for the protection of the public interest. The difficulty is to do anything without unduly interfering with legitimate trading. I do not see any provision in the Bill which will extend the benefits to be derived from the prohibition of dumping to workmen engaged in the industries which will be protected. In giving protection to any industry, I should like to see the benefit so conferred not limited to those who have invested their capital in it, but extended also to those who are employed by the capitalists.

Mr. ISAACS.—Paragraph *a* of sub-clause 1, and paragraphs *b* and *c* of sub-clause 2 of clause 14, are all directed to the protection of the workmen.

Mr. BROWN.—They do not go as far as I wish to see the matter carried. I do not regard the amendment as a limitation, although I am not entirely satisfied with the wording of it. But if the principle is acceptable to the Government, as I understand it to be, it is their duty to improve the wording. I desire that the benefits of this legislation shall be extended to the workers, and I shall support the amendment until something better is proposed.

Mr. GLYNN (Angas) [10.41].—A good deal has been said by way of objection to the wording of the amendment, but not one honorable member has attempted to improve it. I venture to say that if honorable members tried for an hour they would not be able to adopt much clearer terms. I have framed the amendment in accordance with the Bill, and with all due deference to honorable members I think that it will accomplish what is aimed at. I have endeavoured to provide against delay.

Sir WILLIAM LYNE.—Hear, hear.

Mr. GLYNN.—The Minister was afraid that there would be some delay whilst the Comptroller-General was making up his

mind as to what constituted a majority of the workers in an industry. I have provided in the latter portion of the amendment, which is absolutely independent of the former part, that if, in the opinion of the Comptroller-General, a fair wage is paid to the majority of the employes in an industry, he can put the law in motion. He can form his own opinion, and there will be no check upon him. I deliberately inserted those words in anticipation of objections such as have been raised. A number of honorable members profess to be in sympathy with the object of the amendment, but cavil at its wording, without making the slightest attempt to improve it. Some honorable members have objected to the use of the word "majority," but they have not suggested any other word that could be employed. Nothing would be easier than to substitute the word "minority," if honorable members think that that would be a fair thing to do.

Mr. ISAACS.—No one suggests that. It is the onus of proof that is objected to.

Mr. GLYNN.—There is no onus of proof. The Comptroller-General can put the law in operation, so long as he is of opinion that fair wages are paid to the majority of the employes in an industry. He can make his own estimate. I deliberately inserted that provision in order to prevent any possibility of delay. If the Comptroller-General thinks that the law should be put in force it will rest entirely with him to do so. I recognise that it would not do to regard the opinion of the Comptroller-General as final, and, therefore, it is provided that, after his certificate has been issued, the Judge shall give his decision. Otherwise, the whole machinery of the Act would rest upon the *ipse dixit* of an officer acting under the control of the Minister of Trade and Customs. First, the Comptroller-General would form what may be called an interlocutory opinion, and would bring the machinery of the Act into operation. He would issue his certificate, and the importation of the goods would be suspended until the matter could be referred to the Judge for his decision. Surely that is a fair proposal to make. If the Comptroller-General formed an opinion that the wages of the majority were unfair, and that the Act should not be brought into operation, it could be shown by reference to the decision of the Wages Boards or Arbitration Courts which might apply to only a minority of the workers, that he was

mistaken. I would ask honorable members who object to the principle being embodied in the Bill to say so definitely. If, however, honorable members are in favour of the principle, they should point out in what respect the wording of the amendment is faulty. I am not claiming any special credit for the drafting of the amendment, but I have given some consideration to it, and I think that it will accomplish its object. The honorable member for Darling, with that caution which characterizes almost every statement he makes, in regard to fiscal principles, has objected to the word "majority." He pointed out that some men might be receiving fair wages, but that the majority might not be in that fortunate position, and that, therefore, the Act could not be brought into operation in their case. Surely the fairness or otherwise of the wages paid in an industry may properly be tested by the rates that are paid to the majority. That test will be applied whether the amendment is adopted or not, because clause 13 will not be brought into operation unless the Judge is satisfied that the majority of the workers in an industry are affected. I hope that under the circumstances, honorable members who are in favour of inserting some provision in the Bill that will insure the payment of fair wages, will vote for the amendment.

Sir WILLIAM LYNE (Hume—Minister of Home Affairs) [10.48].—I took exception to the wording of the amendment, because I thought it was too involved and not workable. I intend to propose an amendment which is more directly worded, and will have the same effect. I move—

That the amendment be amended by inserting after the word "Industries" the following words:—"shall not include industries in which, in the opinion of the Comptroller-General or Justice, as the case may be, the majority of workers do not receive adequate remuneration, or are subject to unfair terms or conditions of labour or employment."

Mr. JOSEPH COOK.—Will that apply to all industries?

Sir WILLIAM LYNE.—Yes. The honorable and learned member for Angas will see that the word "remuneration" is used, and that according to the interpretation clause, that embraces almost everything. The provisions in clause 14 will render it unnecessary to enter into the details which the honorable and learned member for Angas has

included in his amendment, and I hope honorable members will accept the alternative proposal which deals with the matter directly, and will achieve the object in view.

Mr. GLYNN (Angas) [10.50].—I am very glad that the Minister has accepted my amendment. That is what he has practically done. I do not desire to cavil at the wording of his amendment, but, with all respect, I contend that my proposal did fit in with the Bill. However, I am satisfied with having secured from the Government—although with manifest reluctance—an affirmation of the principle for which I contended.

Mr. FOWLER (Perth) [10.51].—Under the clause in its original form, the Attorney-General pointed out that the interests of labour were conserved. Undoubtedly they were conserved, as they at present exist, but what most of us desire is that manufacturers who reap an advantage under the measure shall give better conditions to their workers. Some of the employees engaged in industries which require this prohibition are urgently in need of better conditions. The Bill, in its original form, did not provide for the betterment of the position of the workers, and, therefore, I am very glad that the Minister has accepted, in substance, an amendment of which I had previously given notice, so that the consideration of which will now become unnecessary.

Mr. CONROY (Werriwa) [10.52].—Although the amendment of the honorable and learned member for Angas has been accepted by the Government, I claim that it does not go far enough. What we ask is that if an advantage be given to a manufacturer, the enhanced price which he receives for any article shall be distributed amongst the workers. Otherwise, it would be idle to call upon other citizens to pay it. Why should the increased price filter through the pockets of the manufacturer?

Mr. FISHER.—Hear, hear. Let us go for nationalization.

Mr. CONROY.—In such a case, let us go for nationalization right up to the hilt. Money which is taken from all the citizens should not be allowed to find its way into the pockets of one particular class.

Mr. FRAZER.—Does the honorable and learned member favour the fixing of a maximum selling price?

Mr. CONROY.—There are two or three amendments which I propose to submit

dealing with that phase of the matter. As I have previously stated, legislation of this kind was attempted in England very many centuries ago. When action was taken there it was decided that the manufacturers should have "reasonable gains, and no more," and, in order to prevent them from declaring that they had parted with the control of their goods, the celebrated provision in regard to the forestallers was introduced.

Mr. FISHER.—When was that?

Mr. CONROY.—The first attempts recorded were in the eighth or ninth century. These matters were then controlled by mere ordinances. About the fourteenth century such laws began to be very frequent indeed. In order to show honorable members how much the lawmakers were in earnest over the matter, I desire to make a brief quotation, in which I have practically embodied the words of the old English Acts. At a subsequent period it will be my duty to move in relation to that very matter. I intend to ask the Committee to agree to an amendment, the effect of which will be to declare that at the hearing of any case the Justice shall, upon the motion of any person, assess the price at which an article shall be sold. This will prevent the manufacturer, who will have been practically freed from competition, from raising the market price of goods against the citizens of the Commonwealth. It will insure him "reasonable gains, and no more." These are the exact words of the old English Acts upon the subject, and if any manufacturer refuses to subscribe to that condition, he is to be liable to a penalty of £500.

Sir WILLIAM LYNE.—I am not quite sure that I shall not be able to agree with the honorable and learned member. My sympathies are with him.

Mr. CONROY.—I do not desire sympathy. I can only refer the Minister to Matthew, chapter xxiii., 3rd verse, which is addressed to hypocrites who "say, and do not." We get too much of that sort of thing here. After we have determined that the manufacturer shall receive "reasonable gains, and no more," we should make a further provision—as they did in England—to prevent him from saying that he has entirely parted with the control of all his goods. In England, after the passing of the Act to which I have re-

ferred, a second Act was passed in regard to the forestallers. It was enacted that—

Any forestaller which is an open oppressor of poor people—

That is a very sound statement—

and an enemy of the whole Commonwealth—

Another very sound statement—

which for greediness of his private gain buyeth in advance such things, intending to sell them more dear, shall be liable to a penalty of £500.

We must insert a clause of that kind to prevent the possibility of the manufacturer declaring that he has sold all his goods to somebody else. When by our act we had lessened competition, he would say that he had sold the lot to a certain man. The two men would be in league, and they would share the profit, so that we need to make another amendment. Unless we go still further, some manufacturers will work half-time in order to limit production, and to be in a position to say that they had not the articles to supply. I propose to introduce an amendment on the lines of another English Act, which, slightly altered, says—

Manufacturers of goods shall make sufficient of such goods, and any manufacturer neglecting to employ sufficient men at reasonable rates of wages shall be liable for every day or portion of a day he neglects to employ men to a penalty of £500.

Why cannot the Government be thoroughly logical and bring in a provision of that kind? That would be doing something on behalf of the workers.

Mr. DAVID THOMSON.—Why not nationalize them?

Mr. WATSON.—A short time ago the leader of the Opposition advocated the nationalization of factories as against protection.

The CHAIRMAN.—Order! Do I understand that the honorable member intends to connect his remarks with the amendment? He seems to be speaking on the lines of an amendment which he proposes to move.

Mr. CONROY.—I hold that the present amendment does not go far enough, and, therefore, I am giving reasons why the Government should be willing to introduce a further amendment. When the Minister of Trade and Customs declared that his proposal was in the interests of a majority of the workers, he ought to have announced that he was prepared to accept a further amendment drawn upon the lines which I have indicated. Surely that would be in

the interests of the workers. If legislation can accomplish anything of that sort, why not let us try to bring it about? If an Act of Parliament can make men wealthy, it would be far better to have three Parliaments sitting eight hours a day and working continuously, even if we had to submit to three Ministers of Trade and Customs. As the amendment stands, a manufacturer might work only half-time so as to keep up the price of articles in this market, in fact, to charge extreme rates. It is true that it shuts out a great many of the poorer men, and that is a double reason why we should interfere. Surely every one will admit that in very many cases the workers are not getting the full results of their industry. As a rule, no employer pays more than is necessary, in order to carry on his business. An employer is not likely to turn round and say that he will give a much higher rate than he is compelled to pay. Therefore, it is right to, in every possible way, safeguard the interests of the majority of the workers. If the Government will accept amendments on the lines I have foreshadowed, they will have taken a step in the direction of introducing legislation which, while they may think it novel, was really in existence many hundreds of years ago? I do not believe that it would be very efficacious, because it failed in times past when the conditions of life were very much simpler than they are to-day.

Mr. WATSON.—It is time that this business was finished.

Mr. CONROY.—Is the honorable member willing to accept the amendments that I have outlined, or can he point out any objections to them?

Mr. WATSON.—The objections are so numerous that I could not think of pointing them out.

Mr. CONROY.—The objections on the part of employers are very numerous indeed, but the honorable member cannot state any objection on behalf of the workers to legislation on the lines I have indicated. Will he state one objection there can be on behalf of the workers to the introduction of such amendments?

Mr. WATSON.—I will tell the honorable member to-morrow; let us get home.

Mr. CONROY.—What possible objection can there be to trying to attempt to

secure to the workers the benefits of any restrictive legislation of this sort which may be passed? It must be remembered that what we are asked to do is practically to allow one, two, or three men who may be engaged in certain industries to get a monopoly if the clause should come into force. It is only in human nature that they would raise their prices. It does not follow that they would give their workers an increased remuneration, because the price of labour is never determined by the conditions of labour in a protected industry, but is always determined by the price of labour in the primary industries. If the price of labour in the primary industries were low, we may depend upon it that the price of labour in the secondary industries would always be low also. However, I do not wish to detain the Committee any longer to-night. I have indicated the lines upon which I think we ought to legislate. If the Committee is not prepared to take that course, then the bulk of the Labour Party do not understand the conditions of the people whom they profess to represent; in fact, they will have failed in their duty when they have before them the splendid examples of past legislation.

Amendment of the amendment agreed to.

Amendment further amended by leaving out all the words after the word "Industries," and, as amended, agreed to.

Clause, as amended, agreed to.

Progress reported.

ADJOURNMENT.

ORDER OF BUSINESS.

Mr. DEAKIN (Ballarat—Minister of External Affairs) [11.10].—I move—

That the House do now adjourn.

Though moving the motion, I should have been glad if honorable members could have seen their way to consent to our adjourning until 7.30 p.m. to-morrow.

Mr. FOWLER.—Will there be a quorum in the afternoon?

Mr. DEAKIN.—I have been informed by honorable members who have made inquiries that three out of every four of the very large number of honorable members we have had in attendance to-day propose to avail themselves of the invitation of Captain Walker to visit the exhibition of the Marconi system. Captain

Walker desires it to be understood that the day fixed was not of his selection. He had practically no choice left, owing to the impending departure of the Governor-General and his engagements for all other days. Captain Walker was obliged, therefore, to select to-morrow as being the only day for which it was possible to extend his invitation to us, unless he postponed it for more than a month. To-morrow, as honorable members are aware, is set apart until 6.30 p.m. for the transaction of private members' business. The Government do not wish to abridge the rights of private members, or endeavour to do so. Having regard to the very large number of acceptances of Captain Walker's invitation, it is extremely improbable that a quorum can be formed or kept to-morrow afternoon. For the sake of the officers of the House, the Ministers who would require to be present, and of honorable members, it would be better to adjourn now until 7.30 p.m. That can only be done by leave. It rests practically in the hands of those who have private business on the paper for to-morrow. I should be happy to withdraw my motion if there were a general consent, but if there is not I must move the adjournment of the House.

Mr. McCOLL (Echuca) [11.12].—I should like to ask the Prime Minister if he will give me an opportunity to take a vote on my motion with regard to the time at which the general elections are to take place. It has been on the paper for a month. There is no disrespect to the Government intended in that motion, as I expressly said in moving it, but the matter with which it deals is one of vital interest to nearly the whole of the rural population of the Commonwealth.

Mr. DEAKIN.—I think that we practically disposed of it yesterday in connexion with the deputation on the subject. The members of the deputation were quite satisfied with what was proposed.

Mr. WILKS.—The honorable and learned gentleman fixed the 21st November.

Mr. DEAKIN.—That is the earliest possible date.

Mr. McCOLL. — The Prime Minister knows the interest which the matter is exciting throughout the northern district, and, in fact, throughout the whole of Victoria, and some of the other States as well. If Ministers desire that honorable members

shall give way, it is only fair that they should meet them in the way I have suggested. I have no wish to take up time or to do anything discourteous or disrespectful to Ministers or members of the House. At the same time, I think it is fair that private members, who have these rights and have important motions under their control for which they are responsible to their constituents, should be given every opportunity to carry them through. I ask the Prime Minister to give me time when the House meets to-morrow simply to take a vote on the motion.

Mr. McDONALD (Kenredy) [11.14].—On behalf of the honorable member for Barrier, I should like to say that he has no objection to the adjournment over to-morrow afternoon, provided that the motion which he has on the paper for to-morrow does not drop out of the position which it holds on the paper now. If the whole of the motions appearing on the business-paper for to-morrow afternoon could be set down for the next private members' day, in the order in which they now appear, I think that would be fair, and there should then be no objection to the adjournment.

Mr. SPEAKER.—I point out that there are already matters down on the notice-paper for to-morrow week. To displace them from the position which they hold would be quite out of accord with any rule over which I have control. I could make no exception of the kind suggested, except by a vote of the House. If honorable members who have business down on the paper for the 19th July would consent to what is proposed it might be done, but otherwise any business which falls off the paper to-morrow must be replaced on the paper, not before, but after, the business which is already on the paper for the 19th July.

Mr. JOHNSON (Lang) [11.16].—I am one of those who have business for to-morrow afternoon. My motion is the first on the business-paper, but when it was reported to me that very many of the members of the House desired to avail themselves of the invitation which they have received, I readily consented to the postponement of my motion until a later date, in order to avoid any inconvenience to them. I was under the impression that other honorable

members who have business on the paper would do the same. In my case it means the postponement of my motion for fully a month, but I do not mind that if the convenience of honorable members generally is served. I hope that the honorable member for Echuca will, in the circumstances, see his way to adopt the course which other honorable members have expressed their willingness to adopt.

Mr. WILSON (Corangamite) [11.17].—I am very glad that the honorable member for Echuca has not seen his way to withdraw from the position he has taken up. No valid reason has been given for the postponement of the business set down for to-morrow afternoon. The invitation we have received from Captain Walker is merely to attend a picnic. We have had a great many picnics in connexion with this Parliament, and we should not increase the number. I point out that honorable members are proposing to take part in this picnic to support a monopoly. We have been legislating against monopolies, and this Marconi system of wireless telegraphy is undoubtedly a monopoly.

Mr. WATSON.—No; there are a number of systems of wireless telegraphy.

Mr. WILSON.—It is a monopoly in Australia, and, worse than that, it is a foreign monopoly. Honorable members who have been professing to legislate against monopolies are going to support this foreign monopoly, which is also an Inter-State monopoly, operating between two of the States of the Federation. I hope the honorable member for Echuca will stick to his guns.

Mr. CHANTER (Riverina) [11.19].—I do not agree with the honorable member for Corangamite that the invitation we have received is in any sense an invitation to a picnic. It is rather an opportunity for the education of every member of the House. I rose particularly for the purpose of saying that I have what I consider to be a very important Bill on the paper for the 10th July, and I am quite prepared to permit motions postponed from to-morrow to take precedence of it.

Mr. KELLY (Wentworth) [11.20].—I hope that the Prime Minister will give the honorable member for Echuca the concession for which he asks. The honorable member asks simply that time may be given

after half-past 7 o'clock to-morrow for a vote to be taken on his motion. The honorable and learned gentleman will admit, on consideration, that the honorable member for Echuca is practically compelled to take up the position he now adopts. If the honorable member were to withdraw from it a certain section of the press would at once affect to consider his withdrawal as a sign of weakness, and would claim that he had not the interests of the farmers truly at heart. In view of that, I hope that the Prime Minister will give the honorable member's request the consideration to which it is entitled. The honorable member does not ask for time to further discuss the motion, and if any honorable member were to break through the spirit of the agreement, assuming that the Prime Minister granted the concession asked for, we could apply the closure. I am sure that the House would be prepared to resort to that standing order for the first time on such an occasion. I hope that the Prime Minister will accede to the wishes of the honorable member for Echuca, and save the House from a trying situation.

Mr. FRAZER (Kalgoorlie) [11.21].—I am not satisfied with the attitude that the Government has adopted in connexion with this matter. I think that a proposal should have been submitted by the Prime Minister definitely, to put honorable members beyond doubt as to the time when the House will sit to-morrow. There appears to be a universal desire on the part of honorable members to have an opportunity to witness the despatch of the first message by wireless telegraphy in Australia. Although the desire of the House is practically unanimous, we find that the honorable member for Echuca steps in and says, "Because I have a proposal on the business-paper. I am not going to allow the unanimous wish of the House to be acceded to." But, as a matter of fact, when this proposal of the honorable member's was last before the House he was not in his place to go on with it. I believe that it was merely a political dodge on his part—

Mr. SPEAKER.—The honorable member must not impute motives.

Mr. FRAZER.—I believe it was introduced for political party purposes—the Prime Minister secured the adjournment in the absence of the honorable member for Echuca. There was then every oppor-

tunity for him to bring forward his motion. The Prime Minister was the only member who spoke with regard to it. But the honorable member, who now professes to be so anxious to have a vote upon the subject, when the opportunity was presented to him a fortnight ago, was not even in his place. He was, I suppose, attending to other political jobs—perhaps endeavouring to persuade the electors that the Prime Minister was trying to have the elections fixed on a day that would not suit the farmers. It was only owing to the Prime Minister's courtesy that the motion did not lapse altogether; and it comes with exceedingly bad grace from the honorable member to turn round now and say, "I am going to thwart the wishes of the House to-morrow."

Mr. DEAKIN (Ballarat—Minister of External Affairs) [11.24].—I should have been happy, under other circumstances, to consent to grant Government time to the honorable member for Echuca for the discussion of his motion. But it so happens that other honorable members who have business upon the paper for to-morrow made exactly the same request, and, of course, it is not possible to discriminate. I understand that the honorable member for Echuca simply desires to divide upon the question. If I could accept that as an expression also of the desire of other honorable members, we might take a vote upon the motion to-morrow; but, as a matter of fact, one honorable member has informed me that he, at all events, proposes to discuss the motion, and I understand that others also wish to do so. Under the circumstances, we have not Government time to spare for the discussion of the subject. I very much regret that Mr. Speaker and the officers of the House will be brought here to-morrow at half-past two.

Mr. McWILLIAMS.—If the Prime Minister cannot spare Government time, he cannot spare private members' time.

Mr. DEAKIN.—I have not spared private members' time. Private members, with one exception, have generously given up their own time. I should be prepared, if I had an opportunity, to move that the House, at its rising, adjourn until to-morrow at 7.30 p.m.; but understand that it cannot be done.

Mr. SPEAKER.—If the Prime Minister desires to move a motion to that effect he does not require to obtain leave, because a motion fixing the time when the House will meet can be moved at any time. It will, however, first be necessary to withdraw the motion for the adjournment of the House.

Mr. DEAKIN.—If that be so, I ask leave to withdraw the motion.

Motion, by leave, withdrawn.

SPECIAL ADJOURNMENT.

Motion (by Mr. DEAKIN) proposed—

That the House at its rising adjourn until 7.30 p.m. to-morrow.

Mr. McCOLL (Echuca) [11.28].—The honorable member for Kalgoorlie has made an attack upon me, and has imputed certain motives to me. His conduct was very unbecoming, and his statements were very untrue—absolutely untrue.

Mr. SPEAKER.—The honorable member must not say that.

Mr. McCOLL.—That young man is merely a political fledgling, who has come here lately, and it does not lie in his mouth to make charges against members having parliamentary experience as he has done to-night. I submitted the motion which stands in my name because I have had at least a score of letters in regard to the matter, apart from interviews with various people. There is nothing that has affected my own district, and northern Victoria generally, so much as this question of the date of the elections. However, I have no desire to deprive honorable members of any enjoyment to-morrow. When this motion came on a fortnight ago I was unfortunately accompanying a deputation on public business to the Lands Department of Victoria. I understood that the business then before the House would occupy at least two hours. No one expected that my motion would be reached so soon. But a change took place in my absence. However, as there will be a chance in a week or two to take a vote upon the motion, I shall not persist to-morrow. I see that I can get the motion down for Thursday, 2nd August. On that understanding I waive my objection.

Question resolved in the affirmative.

House adjourned at 11.30 p.m.

House of Representatives.*Thursday, 12 July, 1906.*

Mr. SPEAKER took the chair at 7.30 p.m., and read prayers.

PERSONAL EXPLANATION.

Mr. WATKINS (Newcastle) [7.31].—I wish to make a personal explanation. When coming from Sydney, I arranged to pair with the honorable member for Macquarie, but last night, when a division took place, forgot to leave the chamber. I think it only fair to the honorable member and to myself to make this statement.

TASMANIAN MAIL SERVICE.

Mr. PAGE (for Mr. KING O'MALLEY) asked the Postmaster-General, *upon notice*—

Before signing the contract for the carriage of mails to and from Tasmania, will he conscientiously consider the advantage of using the shortest route between Melbourne and Tasmania, and the Tasmanian point from which the mails can be distributed with the greatest facility and despatch, having regard to the fact that Launceston is 277 miles from Melbourne, while Burnie is only 215 miles, and possesses more convenient harbor accommodation?

Mr. AUSTIN CHAPMAN. — The answer to the honorable member's question is as follows:—

Before accepting a tender for a new mail service between Victoria and Tasmania the Postmaster-General will give full consideration to the matters referred to.

POSTAL INQUIRIES.

Mr. BROWN asked the Postmaster-General, *upon notice*—

1. Is it a fact that postmasters in New South Wales have been instructed by circular not to leave their offices for the purpose of making official inquiries, which they have heretofore been permitted to do?

2. Is this instruction to be taken as an intimation that postmasters must not leave their offices during business hours?

3. What is the reason and purpose of this instruction?

Mr. AUSTIN CHAPMAN. — The answers to the honorable member's questions are as follow:—

1. Yes.

2. Yes.

3. The instruction was given in order to prevent a postmaster from absenting himself from his proper duties to make inquiries which could be made just as readily and effectively by a member of his staff.

AUSTRALIAN INDUSTRIES PRESERVATION BILL.

In Committee (Consideration resumed from 11th July, *vide* page 1260):

Clause 13—

Unfair competition has in all cases reference to competition with those Australian industries, the preservation of which, in the opinion of the Comptroller-General or the Board, as the case may be, is advantageous to the Commonwealth, having due regard to the interests of producers, workers, and consumers.

Amendment (by Sir WILLIAM LYNE) proposed —

That the words "the Board," line 4, be left out, with a view to insert in lieu thereof the words "a Justice."

Mr. JOSEPH COOK (Parramatta) [7.35].—It is with great misgiving that I agree to the proposal to substitute a Justice for the Board, and if it seemed possible to obtain competent men, whose disinterestedness and impartiality could be guaranteed, I should prefer their appointment to the setting up of a legal tribunal. The reference of questions of this kind to a Justice invariably leads to the creation of a Court, even though his inquiries may not be governed strictly by the rules of legal procedure, and it has been my experience that a Justice does not deal with business matters with the facility which characterizes a business man, nor does he, perhaps, administer the same broad-minded, rough, substantial justice. I have seen several instances in which, in the decision of matters of this nature, laymen have proved superior to men of legal training, and the honorable member for Newcastle will bear out the statement that, in the settlement of industrial troubles in his district, laymen have given more satisfaction than have lawyers. We have had similar experience in connexion with the Arbitration Court.

Sir WILLIAM LYNE.—Can the honorable member suggest a better tribunal?

Mr. JOSEPH COOK.—The only suggestion worthy of consideration which occurs to me now is that of Mr. Irvine, published in to-day's newspaper. He suggests the appointment of a small permanent Board of Trade to deal with these matters. A Justice is, however, preferable to Ministerial appointees, whose impartiality, disinterestedness, and freedom from political taint could not be guaranteed. From a Justice we shall always be certain of getting

a disinterested and impartial decision, though the inquiry may be prolonged and costly.

Mr. ISAACS.—And the decision will be non-political.

Mr. JOSEPH COOK. — Yes. But while a judicial inquiry means cost, loss of time, and legal technicality of procedure, I think that, if the advantages are weighed against the disadvantages, the appointment of a Justice is preferable to the appointment of such a Board as this. I shall, however, reserve the right to make, between now and the passing of the measure, some such suggestion as that to which I have referred, because I foresee that, if inquiries are multiplied, we shall inevitably have a kind of legal Court set up, whereas the settlement of business matters requires not only disinterestedness and impartiality, but practical knowledge and despatch, if the trading community is not to suffer great inconvenience and loss through delay.

Mr. KELLY (Wentworth) [7.40]. — I understand that the difficulty of the Government is to find business men whose integrity will be above suspicion in the minds of the people—disinterested men of sufficient position to commend their appointment to the community. I do not know where we shall find such a man, unless we appoint a Justice, or create some new permanent office. Public confidence in the tribunal is an absolute essential. Fortunately, we are able to congratulate ourselves upon the high estimation in which the occupants of our Bench are held, and I think that for the present we may very well rely upon enlisting the services of one of the Justices of the High Court.

Mr. ROBINSON (Wannon) [7.41].—The matters which the Justice will have to inquire into under this part of the Bill will be, not matters of law, or of fact, but largely matters of opinion and of economics. If a Justice be appointed to decide these questions we shall be exposing a high judicial officer, who ought to be above all party considerations, to attacks in regard to the decisions he may give.

Mr. ISAACS.—Under the other portion of the Bill, the Justice will be required to do precisely the same work, and, moreover, the American Judges are called upon to exercise similar functions.

Mr. ROBINSON.—I am not certain that such is the case. The Board which

was originally provided for would not command the confidence of any section of the public, and I regard the substitution of a Judge as an improvement. At the same time, I cannot approve of the growing disposition to call upon Justices to deal with questions which do not involve matters of law or of fact, but which require that they shall express an economic opinion upon subjects in regard to which men of equal ability may, in perfect good faith, hold diametrically opposite views. I regard the practice as somewhat dangerous. In many parts of Canada and the United States, this practice has resulted in the impairment of the independence of the Bench and the exposure of the Judges to party attacks. However, I cannot suggest an improvement, and, therefore, I suppose I must let the matter pass. I had intended to refer to this question when we were dealing with the Arbitration Act, but the time then at our disposal was too short to permit of my doing so. I believe that the appointment of Judges to try cases such as would arise under that Act has not increased public confidence in the Bench, but has tended to shake it and to expose the occupants of the Bench to party attacks.

Amendment agreed to.

Mr. JOSEPH COOK (Parramatta) [7.48].—I desire to point out that it is proposed under this clause to give immense powers to a public servant. It is actually intended to place upon the shoulders of the Comptroller-General the obligation to express an opinion as to whether an industry is advantageous to the Commonwealth, whether, and to what extent, it ought to be affected by competitive enterprise from other parts of the world, and as to how far it ought to be subject to that constant interplay of scientific forces which is silently and gradually revolutionizing our industrial methods. When we were discussing the Tariff, a long discussion took place with regard to tanners' machines. It was proposed by the then Minister of Trade and Customs to subject them to a duty of 20 per cent., but I proposed that they should be placed on the free-list. After we had discussed the matter at some length, the Minister promised to obtain a further report on the matter. He sent out an officer—and probably the same man would be called upon to determine questions arising under this clause—to make inquiries, and received a report that whilst our manufacturers were not making the tanners'

machines specified in the Tariff, they were turning out others that would answer the same purpose. Here was an officer of high standing, who represented that because a few men were engaged in making obsolete tanners' machines in Melbourne, the whole science of the world, as applied to their manufacture, ought to be kept out of Australia by means of a high Tariff.

Mr. ISAACS.—That question comes under clause 15 of the Bill.

Mr. MAUGER.—To what machines is the honorable member referring?

Mr. JOSEPH COOK.—I am speaking of tanners' machines. It transpired that there was a man in Melbourne who employed about twenty men and boys in the manufacture of these machines, and the report was that they were not as good as those which were imported, but that they would serve the purpose for which they were made.

Mr. MAUGER.—Did the honorable member ever know anything to be manufactured in Australia which was as good as the imported article?

Mr. JOSEPH COOK.—Yes. I think that the honorable member is just about as good as they can make them, except when he goes outside disturbing the peace of the community. I entirely repudiate the suggestion which is contained in his interjection. While we may have our differences of opinion as to what is best for Australia, I claim that honorable members upon this side of the Chamber are just as loyal to the country as is the honorable member himself. They are equally sincere in their conviction that we ought to do everything in our power, both inside and outside of Parliament, to make Australia forge ahead, industrially, socially, and in every way. We may differ as to the method which should be adopted to achieve our end, but we ought not to impugn each other's motives on the all-important question of our loyalty to Australia. I wish to point out to the honorable member that I am now citing concrete cases, and for his especial benefit I do not mind quoting another. We were told in pathetic language during the debate upon the Tariff—indeed the precincts of the House were invaded by deputations for the purpose—that the strawboard industry would completely collapse unless the old rate of duty upon strawboard were maintained. That duty, however, was cut down to the extent of 30 or 40 per cent.

—I forget which—with the result that the industry is flourishing to-day. When the industry was brought within the reach of the competition of the world, all that happened was that those engaged in it set about re-organizing their machinery. They substituted a new machine for an obsolete one, with the result that to-day they are able to produce a strawboard which is equal to any produced in the world.

Mr. CROUCH.—Does the honorable member know that the strawboard factory at Geelong is only half employed?

Mr. MAUGER.—If the honorable member would agree to an increased duty upon that article we should be able to make all the strawboard that is required in Australia.

Mr. JOSEPH COOK.—It occurs to me that there are many industries which are not employed full time. But is that a reason why this Parliament should step in and interfere? The honorable member for Newcastle can tell the Committee that the miners in his electorate are employed only about half time throughout the year. But they do not ask the House to take up their case, and to create more employment for them. If people will over-produce and over-develop an industry—as is the custom in many branches of manufacture—that is no reason why, in all cases, we should step in and convert a bad speculation into a good one by means of parliamentary action. Consequently there is nothing in the case which has been cited by my honorable friend. But here is the fact that we may appoint an officer who will find himself confronted with a very puzzling duty the moment that he finds our enterprises come into disastrous competition with the better methods and better skill which are employed abroad. I am not now endeavouring to impugn our Australian skill and industrial enterprise. I am simply suggesting that the world is a very wide one, and that inventions are being patented all over the world every day. These inventions necessarily mean the displacement and disorganization of our present day enterprises. I say that we shall put upon this civil servant a very puzzling and conflicting duty if we ask him to say that the importation of any goods will be disastrous to the State if continued, unless we clothe him with the requisite power to take all the steps that he deems should be taken to bring our machinery and methods up to a certain scale of efficiency. In a young country like this, we

cannot always expect to attain the same efficiency which characterizes some of the older parts of the world, where it has been attained by reason of the greater demand, and greater markets, with which a particular industry has to do, and up to now, protectionists have always relied on a Tariff to regulate these matters. However, I suppose that it is no use saying any more upon this matter. In another part of the Bill, we have already decided that this officer shall undertake these supreme duties. I entertain the greatest fear that the result will prove anything but satisfactory. My only hope is that such other provisions will be inserted in the measure as will lead to the services of this officer being called into requisition as rarely as possible, in connexion with a matter of such grave importance to the country.

Mr. MAUGER (Melbourne Ports) [7.57].—I wish to say, in answer to the remarks of the deputy leader of the Opposition, that I never intended for a moment by my interjection to impute to him disloyalty to Australia. All I intended to convey was that there are a great many people who appear to think that neither Australian machinery nor Australian manufactures of any kind can be as good as the imported articles. The statement is being continually made. I know from experience that there is just as good machinery made in Australia as is made in any other part of the world, and still better machinery would be made if the young life of the country were given anything like a fair chance. It is not given a fair chance. Our own people are continually disparaging our products and making it appear that we are fit for nothing except soldiering. The honorable member for Parramatta spoke of protecting the miners. He knows that we cannot impose a duty upon coal, but if a lot of the articles which are now being imported were made in our factories, a much larger quantity of coal would be used, and the miners would be infinitely busier than they are at the present time.

Mr. JOHNSON.—Let them show a little more independence of spirit instead of always leaning upon the Government.

Mr. MAUGER.—The honorable member talks about independence of spirit.

Mr. JOHNSON.—Yes. That is what we are sapping by means of this class of legislation.

Mr. MAUGER.—I venture to say that there is as much independence of spirit

amongst the people of America as there is in my honorable friend, and yet they are pretty well protected.

Mr. JOHNSON.—They have free-trade amongst a population of 80,000,000.

Mr. MAUGER.—And we have free-trade amongst a population of 4,000,000. I trust that the time is not far distant when we shall have ten times that number. I can assure my honorable friend that the reduction of the duty upon strawboard has proved most serious to that industry, and that, notwithstanding the introduction of improved machinery, a much larger number of hands would be employed if an increased duty were imposed.

Mr. JOHNSON (Lang) [7.59].—In spite of the statement of the honorable member for Melbourne Ports—

Mr. MAUGER.—I did not make any statement.

Mr. JOHNSON.—Then I wonder what the honorable member was doing whilst he was addressing the Committee? I maintain—despite his predilection for the State coddling of local industries—that if we had less interference with trade in every way—less interference with our imports, with commerce, and with industry, there would be more healthy and vigorous conditions existing amongst our manufacturers, their employes, and amongst the community generally, than there is any sign of to-day. This clause is much like others with which we have already dealt. No one on this side will attempt to dispute that the preservation of Australian industries which in themselves are not injurious in character is advantageous to the Commonwealth, provided that such preservation does not entail injustice to the people or any section of the people, but there are some industries which might be described as injurious in character, and might not be worth preserving.

Mr. ISAACS.—They are excluded. This is a limiting clause. It limits the operation of the Bill.

Mr. JOHNSON.—Quite so; but at the same time it might be held that the preservation of the industries I have now in mind would be advantageous, at all events to one section of the community.

Mr. ISAACS.—That would not comply with this provision.

Mr. JOHNSON.—That is a matter of opinion. The honorable member for Melbourne Ports said the other day that provisions of this kind were necessary for the preservation of, amongst others,

the bootmaking trade, which he declared was suffering from the unjust competition of imported goods. The honorable member, I believe, gave some figures as to the cost of manufacture.

Mr. MAUGER.—In connexion, not with dumping, but with imports.

Mr. JOHNSON.—The point is that we have no guarantee that all importations may not be regarded as dumping. It is because of this that we find ourselves in a dilemma in dealing with the Bill. As soon as we deal with importing as dumping we are told that it is not, and yet there has been no attempt to give a clear and understandable definition of the word.

The CHAIRMAN.—We are now dealing with the question of unfair competition.

Mr. JOHNSON.—But the whole of this Part of the Bill deals with the "prevention of dumping." That being so, I hold that we are entitled to ask that the word "dumping" be clearly defined. My definition of the word is "the importation of goods that come into competition with Australian goods." For that is what this Bill really aims to prevent. I have heard it said over and over again, "Look at these goods from abroad being dumped on our wharfs." I have heard that remark applied to goods which no one suggested were to be sold below the price of the locally-made article, still less below the cost of production in the country of origin. In the absence of any definition of "dumping" in the Bill, we are entitled to place our own construction upon the term. As to the boot trade, to which I was referring when interrupted, every one knows that a large quantity of English and American boots are imported into Australia, and that a very large section of the community prefer them to boots made of locally-produced leather. One reason among others for this preference is that poisonous materials are used in the manufacture of leather for bootmaking purposes.

Mr. BATCHELOR.—Who uses poisonous material?

Mr. JOHNSON.—It is done in Australia, principally in Victoria.

Mr. BATCHELOR.—Does the honorable member think he ought to make such a charge?

Mr. JOHNSON.—I make it because I can substantiate it.

Mr. MAUGER.—It is very wrong.

Mr. JOHNSON.—Does the honorable member mean to assert that barium is not used in the production of sole leather?

Sir WILLIAM LYNE.—Under the Commerce Act we have stopped its use in that way.

Mr. JOHNSON.—Only, I believe, so far as leather for export is concerned.

Mr. ISAACS.—But the question of whether or not barium is used in the production of leather has nothing to do with this clause.

Mr. JOHNSON.—It has to do with it, as it relates to an industry the preservation of which may not be held to be in the interests of the Commonwealth. My contention is that it may not always be to the interest of Australia to preserve an existing industry from outside competition.

Mr. ISAACS.—In that case the industry would not come under the Bill. It would be excluded.

Mr. JOHNSON.—I shall proceed to show that I have some grounds for my statement as to the use of barium. About the 25th March, 1905, a Sydney newspaper—I believe it was the *Sydney Morning Herald*—published, under the heading of "Adulteration of Leather," a report, telegraphed from its Melbourne correspondent, in reference to the use of barium in Victorian manufactured leather. The article was as follows:—

An analysis of Victorian leather was made lately by the Government Analyst. In January last the Premier of Queensland wrote to Mr. Bent that it had been represented to him that some manufacturers were using deleterious substances to make hides heavier and of a better appearance. Mr. Morgan said it led to a poorer quality of leather, and further that, according to medical testimony, boots and shoes manufactured from leather so adulterated induced pneumonia and other diseases.

Mr. Bent called for a report from the Board of Public Health, and has now received details of the analysis of Victorian leather. Fifty-one samples of leather were collected, and so far as the inspector was able to ascertain all were Victorian, and in the majority of cases the name of the tanner was obtained. The examination was confined to the determination of the amount of mineral matters, barium compounds, and glucose.

The report states:—It is brought out prominently that the practice of weighting leather does obtain in Victoria, and that the weighting substances used are barium, chloride, and glucose respectively. It is shown that the 51 leathers analyzed originated from 10 different Victorian tanneries. One only of these 10 tanners practises the weighting of leathers with barium, chloride, and glucose, and in two instances with both these substances. It is remarkable that no fewer than 11 of the 13 samples of leather said to

have been obtained from one firm were weighted, and it is noteworthy that the weighting was confined entirely to soleing leathers made by this firm, and it is these leathers which are invariably sold by weight. The extent to which weighting is practised by this firm may be judged from one of the samples, which contained an amount of barium equal to 4.6 per cent. of barium chloride, and, at the same time, 11.5 per cent. of glucoses. Thus a total amount of extraneous weighting matter had been added to this sample of sole leather of 16.1 per cent.

Another sample was also weighted with both barium and glucose, the total weighting amounting to 11 per cent. The average cost of the weighting material is 1d. per lb., and the average price of the leather is 10d., a clear profit of 9d. per lb. A ton of such weighted leather at 10d. per lb. would contain 358 lb. of weighting, the purchaser buying this faked stuff in good faith as leather. Therefore he would be deceived by false weighting to the extent of £13 8s. 9d. on the purchase of one ton. In this instance there is no possible doubt that the weighting of the leather is a designedly fraudulent practice. The quality of the leather is diminished by weighting, and from this would arise a disinclination on the part of British and foreign buyers to deal in Australian leather.

Dr. Norris, president of the Board of Health, says such adulteration would appear to be limited entirely to soleing leather. Without doubt it was a designedly fraudulent practice, one attended by depreciation of quality of the leather subjected to it. Such depreciation may well have been a factor in the conditions which have led to the recent decline in the amount of value of leather exported from Victoria to the United Kingdom, as well as to its exclusion from the British War Office contracts, and there is little reason to doubt that one of the reasons owing to which Australian leather has become more or less discredited, is that to some extent at least it can be spoken of as poisoned leather. The question of the exact and the direct influence of such adulterated leather on health is a difficult one on which to express a definite opinion. No doubt that glucose renders the leather more pervious to water, and such a property must reduce the value of leather. From a health stand-point, barium compounds were a more important adulterant. Without hesitation he stated that in the form commonly used, viz., chloride of barium, known to the trade as *normissa*, they are poisonous. They may perhaps cause injury to persons wearing boots made from leather containing them, but such leather is more especially dangerous to those employed in making it up into boots. He suggested that a copy of Mr. Wilkinson's report be furnished to the Queensland Government, and that the Federal Government be addressed on the subject, with a view to the framing of legislation, whereby the import, manufacture, sale, and export of leather containing any such weighting should be prohibited, as he was informed was the case in Germany.

Mr. MAUGER.—Has the honorable member noticed the answer to those statements?

Mr. JOHNSON.—I have not noticed that there has been any complete and convincing answer to them.

Mr. MAUGER.—That is just the trouble; the honorable member reads the condemnation, but does not read the answer.

Mr. JOHNSON.—I have read statements made by responsible Government officials in Victoria at the request of the Premier of the State. In repeating those statements, I cannot be charged with having manufactured anything from my own imagination.

Mr. MAUGER.—The honorable member can be charged with unfairness unless he reads the answer to them.

Mr. JOHNSON.—As I have said, I have not seen any answer to these statements; but I shall be very glad indeed to know if an effective answer to them has been given. If this kind of thing is carried on in Victoria, and any attempt is made, in the interests of one section of the community, to preserve an industry the products of which may be injurious to the health of the people, serious injury may be done to an immense number of the citizens. If we are to pass legislation to prevent the competition with boots made of this adulterated leather, of sounder boots, made of better leather, and giving better results from a health point of view, we may do very serious injury to the people. I can conceive that under this clause an attempt might be made, by shutting out very much-needed competition, to preserve an industry productive of immensely injurious results to the general public. It is because the honorable member for Melbourne Ports, the other day, made such special reference to the particular subject of boots that I have thought it wise to bring these statements under the notice of the Committee. If it can be shown that the reports of the Victorian Government Analyst and Health Officer are unreliable, and that the statements they make are not in accordance with fact, I shall certainly be very glad to hear the refutation of those statements.

Mr. HENRY WILLIS (Robertson) [8.18].—I said something yesterday about the appointment of a Justice to deal with these questions. I do not think that he is likely to be the most competent person for the purpose.

Mr. ISAACS. — That has been already agreed to.

Mr. HENRY WILLIS.—I am aware of that. Under the Local Government Act in England they have a Local Governing Board, presided over by the Minister. This

is a permanent Board, charged with the duty of considering business matters. The honorable member for Parramatta referred to certain machinery manufactured in Victoria, that was said to be good enough for the purpose. But while that machinery would do its work, it would scarcely be fair to manufacturers, workers, or consumers in Australia that it should be allowed to keep improved machinery out of the market. If, as has been pointed out by the honorable member for Lang, some manufacturers are working barium or glucose into leather, and are thus deteriorating the products of another industry in Australia, should we not have a Board of competent men who would understand the business, and would prevent the continuance of such a practice? I saw no objection to the clause which provided for a permanent Board to control those industries. No Judge of the High Court is competent to decide as to the machinery and methods to be used in manufactures—to decide as to whether an industry shall exist to the exclusion of up-to-date machinery. To prohibit such machinery would be against the interest of the manufacturer, of the artisan, and of the consumer. There ought to be a competent Board, in order to secure an industry from prejudicial decisions, which may be the result of ignorance. The Comptroller-General of Customs cannot be expected to know the circumstances of every manufacture, and it seems to me that the clause as drafted, or even as proposed to be amended, is not likely to give the greatest satisfaction. My reason for speaking is merely to emphasize what I have before stated. I feel pretty sure that if the Bill becomes law, this is one of the provisions which at some future time will have to be reconsidered.

Mr. CONROY (Werriwa) [8.22]. — I should like a definition of "unfair competition," for I must confess that I am unable to understand the Bill in this connexion.

Mr. ISAACS.—The next clause deals with that point.

Mr. CONROY.—Even so, I should like to give one or two striking illustrations from English history. If these two clauses stand, they may exclude improvements most vital to industrial progress. In 1770 there was introduced Hargraves' spinning jenny, which enabled a workman to attend to eight spindles in the place of one spindle as

formerly. Then came a decided improvement, in the form of Arkwright's water frame, and that was followed by Samuel Crompton's mule, so called because it was a combination of the invention of Hargraves and Arkwright. At the present day one workman can, owing to the improvements made, attend to as many as 12,000 spindles; and I need not point out the enormous gain that has followed to every worker, not only in Australia, but throughout the civilized world. Until these inventions were applied, only the wealthiest people could afford to change their underwear as frequently as is desirable, the expense of new clothing being almost prohibitive. Those improvements certainly displaced other forms of work, and then came the power loom for weaving, thanks to Cartwright. The clauses under consideration would deprive us of the benefits of all such inventions; and in passing legislation of such a drastic character, we ought to regard the question from all points of view, and not leave it to the Comptroller-General, at the suggestion of the Minister, to declare what, in his own opinion, is unfair competition. The decision on this point should rest on reliable evidence, and not be left to any one person; and especial care ought to be taken not to block the progress of invention. Any hindrance to production must result in the greatest injury to the workers; and for the reasons I have stated, these clauses shall not have my support. According to the Bill, if a man, in making a garden, chose to use a spade, when he might employ a plough—or who employed a one-furrow plough, when he might use one with three or four furrows—would be able to complain of unfair competition at the hands of those who used the improved machinery. If such legislation as this had been in force when the inventions of which I have spoken were introduced, the effects would have been disastrous. Following on the improved methods of production, there was a great increase of population in England. Prior to 1751, the increase each decade was, roughly, about 3 per cent.; but from that year to 1781 the increase was 6 per cent. I ought to mention that at that time the great Watt had invented the steam engine, which has done so much to develop manufacture in every direction. This invention has had an enormous effect on coal mining and kindred industries, and enabled manufactures to be carried on

in any part of the country, instead of, as previously, their being confined to the side of running streams. The increase of population in England from 1781 to 1791 was 9 per cent., or three-fold the figures for the years 1751 to 1781. From 1791 to 1801 the increase of population was 11 per cent.; from 1801 to 1811 the increase was 14 per cent.; and from 1811 to 1821 the increase was 21 per cent. So far from cheapened production injuring the workers, as the honorable member for Melbourne Ports always wrongly supposes, it resulted in the enormous increase of population which these figures disclose. This is a sound reason why all men who can really see what the true interests of labour are, should take care that no hindrance is placed in the way of production. This Bill will put it in the power of a pliable Comptroller-General, under the control of a dull and stupid Minister, to prevent the use of means of increased production, and by so doing, to block fresh avenues for the employment of labour. Such a danger is not only possible, but so extremely probable, that it behoves us to exercise very great caution in passing such legislation as this. I am so satisfied that great injury will arise to the bulk of the workers of this country, that I interdict in every possible way to oppose, not only this clause, but every succeeding one.

Mr. JOHNSON (Lang) [8.32].—The quotation which I read to the Committee a little while ago, I find on consulting the files, was a condensation of a report published in the *Age*—a Victorian newspaper. This article contained more comprehensive allegations than those which I read. The only attempt at refutation that I have come across is one furnished by the Victorian Tanners' Association, and the Employers' Federation, which subsequently held a meeting to consider the report. They generally condemned the use of the materials to which I have referred, but admitted that they were used. Particularly was that the case with glucose. But they thought that one Victorian firm was largely responsible for its use.

Mr. MAUGER.—Hear, hear—and the honorable member condemned the whole of the firms for one.

Mr. JOHNSON.—I condemned no one. I simply quoted from a report of the Government Analyst, and the Government Medical Officer, which was published in the *Age*. If there was any accusation, it

was made by those officers and not by me. I am not responsible for what they said, or for what was published in the *Age*. The value of the disclaimer of the Employers' Federation, even qualified as it was by admission that the practice did exist, but not generally, is discounted by the publication, on the same day in the same column, on 27th March, 1905, of a letter from the secretary of the Tanners' and Leather Dressers' Union. I propose to quote a portion of it, as it confirms the reports of the Government Analyst and the Government Medical Officer. It says—

I have from time to time in the past made complaints to various bodies upon the subject of adulteration of leather. Some few years ago, while giving evidence before the Royal Commission, on Technical Education, I made a statement, if my memory serves aright, that one firm at that time was reputed as using two tons of glucose per week in their leather. Later on I forwarded to one of our senators, when the Fraudulent Trades Marks Bill was under consideration, a complaint as to the use of glucose, and also a child's shoe purporting to be leather, the constituents of which were principally cardboard, rag, and bagging. There can be no question that some action is necessary in compelling dishonest manufacturers to so brand their goods that the public may know whether they are getting "nothing like leather," or "something like leather," or "real leather." At one time the tanning and leather-dressing trade was looked upon as a fairly healthy occupation, but of late years, owing to the increased use of chemical ingredients and of machinery, it is becoming anything but healthy and safe.

Having read this extract, I leave the Committee to judge the matter for themselves.

Clause, as amended, agreed to.

Clause 14—

1. For the purposes of this Part of this Act, competition shall be deemed to be unfair if—

- (a) under ordinary circumstances of trade it would probably lead to the Australian goods being either withdrawn from the market or sold at a loss unless produced at a lower remuneration for labour; or
 - (b) the means adopted by the person importing or selling the imported goods are, in the opinion of the Comptroller-General or the Board, as the case may be, unfair in the circumstances.
2. In the following cases the competition shall be deemed unfair until the contrary is proved—
- (a) If the person importing goods or selling imported goods is a Commercial Trust;
 - (b) If the competition would probably or does in fact result in a lower remuneration for labour;
 - (c) If the competition would probably or does in fact result in greatly disorganizing Australian industry or throwing workers out of employment:

- (d) If the imported goods have been purchased abroad at prices greatly below their ordinary cost of production where produced or market price where purchased :
- (e) If the imported goods are being sold in Australia at a price which is less than gives the person importing or selling them a fair profit upon their fair foreign market value, or their cost of production, together with all charges after shipment from the place whence the goods are exported directly to Australia (including Customs duty) :
- (f) If the person importing or selling the imported goods directly or indirectly gives to agents or intermediaries disproportionately large reward or remuneration for selling or recommending the goods.

Mr. DUGALD THOMSON (North Sydney) [8.35].—I move—

That the word "under," line 3, be left out.

I move this amendment with a view to ascertain the sense of the Committee as to whether the whole of paragraph *a* should not be omitted from the Bill. I also take this opportunity to reply to certain statements made by honorable members last night. I might have made my reply then, except that I wished to give the Government an opportunity to get through clause 12. It has been stated that my amendment, upon which a division was taken yesterday, was intended to admit British goods into Australia which were competing dishonorably or unfairly with Australian goods, or which were being dumped in order to destroy Australian industry. My proposal was to exclude the possibility—I might say the likelihood—of British goods being prevented from entering Australia, although their competition be such as in my opinion is absolutely honest and fair. If honorable members look at the measure they will see that under clause 15 proceedings have to be initiated by the Comptroller-General, who has to believe that certain parties are importing goods with the intention that they may be sold or offered for sale, or otherwise disposed of, within the Commonwealth, in unfair competition with Australian goods. How will he arrive at an opinion as to the intention of an importer? He can have only one way of arriving at an opinion. He must take the fact that in his opinion unfair competition exists to prove that there is an intention to compete unfairly. Then we have to turn to clause 14 to know what is this unfair competition which is to exclude imports, and upon which the Comptroller-

General has to take action. Paragraph *a* reads—

Competition shall be deemed to be unfair if under ordinary circumstances of trade it would probably lead to the Australian goods being no longer produced, or being withdrawn from the market, or being sold at a loss, unless produced at a lower remuneration for labour.

Sir WILLIAM LYNE.—I propose to substitute "inadequate" for "lower."

Mr. DUGALD THOMSON. — It will then read—

Unless produced at an inadequate remuneration for labour.

Mr. ISAACS.—That is to bring the paragraph in accord with the decision of last night.

Mr. DUGALD THOMSON. — All that may take place without one atom of unfair competition. There may come into this market, fairly and properly, goods which may prevent a certain quantity of Australian goods of a similar sort being produced, or may cause a certain quantity to be withdrawn from the market. If the demand is only so much and it cannot be increased, the accession of the other goods must reduce the sale of certain Australian goods, and if an Australian manufacturer is unable to compete at the rate of wages which he is paying, he will only be able to do so if he reduces it. Honorable members on the opposite side will say that that is an undesirable thing. But let me point out that, even from their stand-point, there is power in the Tariff Act to remedy any differences of that sort—that these are the very grounds upon which they have argued that a duty should be raised to protect Australian industries. Although I do not agree with the statements of the honorable and learned member for Corinella in some other respects, still I agree with his argument that a protectionist Government should deal with the matters that come under paragraph *a*, not in a Bill of this description, but by means of the Tariff. But what is the plan that is now being adopted? A Tariff has been created; in full consideration of these differences, duties have been placed upon articles; and on top of that Tariff power is being taken to exclude, by prohibition, these goods, not because of unfair competition, not because of dishonest or dishonorable competition, but simply because of ability to compete. I ask Ministers why is this clause necessary, when they are able to exercise, and have exercised, the power which is granted in the Tariff Act? Surely the proper time for

protectionists to give consideration to these matters is when duties are being imposed. In this Bill they seek to prohibit the importation of goods, or to impose such conditions as may make it difficult or impossible to import them, not because the competition is unfair, but because it is successful, for the things set out in paragraph *a* are simply the result of successful competition. I shall now allude to two matters, as they will come into the argument in connexion with the paragraph. Several honorable members, including the honorable member for Moira, have declared that I made misstatements in a previous speech on the question. In connexion with my proposed amendment to a previous clause, I said that if Great Britain were to enact a provision similar to paragraph *a*, the bulk of our exports would be shut out of the British market. That statement was questioned. The honorable member for Moira said that as a matter of fact there was not unfair competition by Australian products in that market. I never said that there was. I hold that the competition as here described is not unfair, but that if the provisions of this Bill were applied to our exports by Great Britain, then it would shut out a great part of the goods which we send to her. I think it should be evident to any one who reads the clause carefully that when we send to Great Britain meat, fruits—the application to fruits is more limited I admit—and butter, and it leads to similar goods being no longer produced in Great Britain, or to some being withdrawn from the market, and to some not being saleable at a profit unless the wages in Great Britain are to go lower than they are—for we find that in some cases the British farmer cannot produce in competition—then if the British Parliament were to pass a measure with a clause such as I have described, Australian goods, to a large extent, must be excluded. The honorable member for Moira—and I am sorry he is not here—referred to the export of meat. Previously I had stated that, of course, no country exported if it could sell in its own market; that, as it must get a better price relatively in most cases in its own market, where it had not to incur heavy freight charges to sell, the only reason for exporting was that it had a surplus which the local market could not absorb, and which, in the interests of the producers, it was better to allow it to go

to the other end of the world to realize the best price which could be obtained therefor. The honorable member for Moira said that meat was not sold in England at less than the price it cost in Australia.

Sir WILLIAM LYNE.—He said that generally it was not.

Mr. DUGALD THOMSON.—The honorable member said that it was only in very exceptional circumstances that the meat was sold at less than the cost price here. Probably he was not aware that the Sydney Meat Preserving Works, which sends to Great Britain preserved meat, and also carcass meat to a large extent, has never made a profit, and that it is not intended to make a profit. It is an association of graziers, who are always ready to go into the local market and sustain prices by their purchases. In doing this, they do not consider whether they will get in Great Britain exactly what they pay, and usually realize only cost or something less, the evidence being that they have never shown a profit on their balance-sheets for the year. Last year the Canterbury Meat Preserving Works lost about £36,000 on their London shipments, though I agree that that was exceptional. These facts show that our exporters are guilty of what the Minister calls dumping. They send Australian meat to Great Britain, and sell it there for whatever it will fetch, and even at a loss, and, by so doing, are injuring the graziers of that country. Then, as I have said before, the butter association here fixes the local price of butter, and, so that it may be sustained, ships the surplus production to Great Britain, where, usually, less is obtained for it than is obtained for that sold locally.

Mr. CAMERON.—They have been known to bring it back.

Mr. DUGALD THOMSON.—I believe that that has occurred; but the occurrence is exceptional.

Mr. CAMERON.—It happened some two years ago.

Mr. CONROY.—I have known wheat to be loaded into ships, and, after being taken abroad, brought back again.

Mr. DUGALD THOMSON.—That has happened too. In to-day's newspaper is a letter from a fruit-grower defending the Mildura trust. That trust, recognising that over-production must reduce the level of prices, takes care that fruit not consumable in this market shall be exported and sold,

not under a protection of 3d. per lb., but in competition with the production of the world. Yet Ministers would prohibit such action, if it were taken by exporters from Great Britain. I do not object to the practices to which I have referred. Our producers are perfectly right in what they do, because, in order that they may make a profit on their productions, they must sell locally only so much as the market will consume, sending the surplus to be sold in other markets for whatever it will fetch. It was because the Bill would render perfectly legitimate trading of this kind, if indulged in by exporters from Great Britain, subject to prohibition, and, under the Customs Act, to which the measure makes special reference, forfeiture of the goods sent here, that I moved the amendment exempting British goods which, last night, was negatived on division. The illustrations which I have given show that the honorable member for Laanecoorie was wrong in saying that I had misstated the facts connected with the export of our productions. The honorable member for Laanecoorie also questioned my statements, and produced figures to show that they were wrong. My remarks and his interjections are reported in *Hansard*, at page 1187, in the following words:—

I have no desire to discourage or interfere with such exports; but how do they affect the English producer? The importation of Australian beef, lambs, and so forth, into England has, bit by bit, taken the trade out of the hands of the English grower. The importation of Australian fruit into England operates in the same way, but not to the same degree, because it arrives there out of the English season, when there is not much English fruit to offer.

Mr. SALMON.—Does the honorable member say the same about butter?

Mr. DUGALD THOMSON.—Yes.

Mr. SALMON.—The Danes do not say that the importation of Australian butter takes the business away from the English producer, but that it takes the business away from them.

Mr. DUGALD THOMSON.—The honorable member can easily satisfy himself on that point.

Mr. SALMON.—I have done so.

Mr. DUGALD THOMSON.—Then the honorable member must have found that what he states is not altogether the case. If we have regard to the importation of Danish butter into England before Australian and New Zealand butter went there, the enormous increase from the latter places is not nearly accounted for by any drop in Danish importations.

Mr. SALMON.—Is it accounted for by the drop in the English production?

Mr. DUGALD THOMSON.—Australian butter interferes with the importation of Danish butter, but it interferes to a greater degree, probably, with the English production, because it is sold at a lower price than is the Danish.

Dugald Thomson.

How can the honorable member ask any Parliament to conceive that the large quantity of butter which Australia and New Zealand exports to England does not, in combination with the Danish importations, interfere with production in England. Where was the butter obtained previously, if not from English and Irish producers?

Mr. MALONEY.—Is not the consumption of butter increasing every year?

Mr. DUGALD THOMSON.—No doubt the consumption increases with the increase of population. The honorable member for Laanecoorie quoted certain figures from the Board of Trade returns to show that my statements were inaccurate, but I will use those figures to prove that I was well within the mark, when, speaking from memory, I said that I did not think that there was any decrease in the exportation of Danish butter to Great Britain. The figures show that there was an increase. In 1901, the total quantity of butter imported into Great Britain was 3,702,890 cwts., and, in 1905, 4,147,866 cwts., an increase of 444,976 cwts., or 22,248 tons. Of the quantity imported in 1901, 631,085 cwts. came from British possessions, while, in 1905, 1,054,209 cwts. came from British possessions, an increase of 422,224 cwts., or 21,111 tons, which accounts for practically the whole increase in the period to which I am referring. The importations from Australia and New Zealand, in 1901, were 415,511 cwts., and, in 1905, 759,751 cwts., an increase of 344,240 cwts., or 17,212 tons. Therefore, while the increase in the importations of butter into Great Britain in the four years between 1901 and 1905 was 22,248 tons, 17,212 tons of that increase were accounted for by the increased importations from Australia and New Zealand. That is a very fortunate and very happy circumstance, but it does not justify the statement that there is no interference on the part of Australia and New Zealand with the British producer. It will be seen that whilst our exports to Great Britain during these years increased very considerably, there was also an increase of 1,138 tons in the importations of butter from foreign countries. Instead of there being a decline, as was indicated by the honorable member for Laanecoorie, in the imports into Great Britain from Denmark—

Mr. SALMON.—I did not mention Denmark, or Danish butter, but gave the total figures for all foreign countries.

Mr. DUGALD THOMSON.—I was alluding to the honorable member's interjections when I referred to Danish butter. I am quite willing, however, to accept his assurance as regards the figures he quoted. I have just shown that the foreign importations with which our butter is supposed to compete increased, during the years mentioned by the honorable member, from 3,070,905 cwts. in 1901, to 3,093,657 cwts. in 1905, an advance of 1,138 tons.

Mr. SALMON.—There was a decrease in the interim.

Mr. DUGALD THOMSON.—There may have been a variation from year to year.

Mr. SALMON.—I think that the honorable member will find that there was a decrease.

Mr. DUGALD THOMSON.—I am under the impression that reference to the figures will show that for some of the intervening years the figures were higher still. When I was speaking about Danish butter, the honorable member said—and I am quoting from *Hansard*—

The Danes do not say that the importation of Australian butter takes the business away from the English producer, but that it takes the business away from them.

It was then that I said that I thought the returns would show that that was not the case. I have since ascertained that my impression was correct. In 1901, the imports from Denmark amounted to 1,597,186 cwts., and in 1905 to 1,630,363 cwts., or an increase of 1,658 tons. I think that in one or two years between those mentioned there was a bigger increase of imports from Denmark, owing to the drought, during which we exported very little butter. In 1891, when we began to export our butter in considerable quantities, the imports of Danish butter into Great Britain amounted to 876,211 cwts., or about one-half the quantity imported in 1905. Therefore, during the period that our exports to Great Britain were increasing, the Danish exportations, instead of falling off, increased very considerably. If we go further back, we find that, in 1881, Denmark sent to Great Britain only 279,625 cwts., or less than half the quantity exported in 1891. These figures show that the statements I made in reply to the honorable member were well within the mark. It seems to me that paragraph *a* is entirely unnecessary. Paragraph *b* would fulfil the intentions of Ministers

who aim at dealing with unfair competition and that alone.

Mr. ISAACS.—Hear, hear.

Mr. DUGALD THOMSON. — Very well. Paragraph *b* entirely meets that case. It is followed by a number of provisions, which set forth what shall be deemed unfair competition.

Mr. ISAACS.—That is *prima facie*.

Mr. DUGALD THOMSON. — Exactly—until the contrary is proved. Paragraph *b* provides that, for the purposes of the Act, competition shall be deemed to be unfair if—

the means adopted by the person importing or selling the imported goods are, in the opinion of the Comptroller-General or the Board, as the case may be, unfair in the circumstances.

The Minister must see that, under paragraph *a*, he could declare to be unfair competition that was not unfair. That provision relates not to unfair competition, but to successful competition, such as we carry on in the British market. If our exports of butter to Great Britain are increased, will they not probably, or, indeed, certainly, lead to a diminution of British products to a corresponding extent?

Sir WILLIAM LYNE.—Does the honorable member assume that Great Britain can produce enough for her own consumption? It is well known that she cannot.

Mr. DUGALD THOMSON.—The people of Great Britain were producing enough butter before the importations increased. It is not as if our produce were displacing foreign butter. As a matter of fact, our butter is to a greater extent every day taking the place of that which was produced in Great Britain or Ireland. The English and Irish farmers are thus being compelled to either give up the production of butter, to withdraw from the market—which means practically the same thing—or to sell their goods at a loss, as the result of what may be regarded as fair competition. I do not think the Minister should insist upon the adoption of paragraph *a*. Has the Minister decided to adhere to paragraph *b* of the clause?

Sir WILLIAM LYNE.—Yes, with a modification that I intend to submit.

Mr. DUGALD THOMSON.—Has the Minister given notice of his amendment?

Sir WILLIAM LYNE.—Yes.

Mr. ISAACS.—The modification substitutes the word "inadequate" for the word "lower," and introduces one or two verbal amendments.

Mr. DUGALD THOMSON.—We can send butter to Great Britain, and compete with her products, as we do also with many of our other exports.

Mr. ISAACS.—That phase of the question is not touched by the clause, as the Minister will point out presently.

Mr. DUGALD THOMSON.—We are parties to the reduction of the production in Great Britain when we are able to supply the mother country more cheaply than she can produce, unless she still further lowers wages. The very thing that we do—and properly do, I think—we say that Great Britain shall not do as regards ourselves.

Sir WILLIAM LYNE.—No.

Mr. ISAACS.—When the honorable member has heard what the Minister has to say he will alter his opinion.

Mr. DUGALD THOMSON.—I shall be very glad to hear what the Minister has to say, because it seems to me that such a provision will interfere with reasonable trade, and not with unfair competition. If the Minister intends to do that, he will retain the clause in its present form, but if he does not he will consent to its amendment.

Sir WILLIAM LYNE (Hume—Minister of Trade and Customs) [9.13].—The honorable member who has just made a very analytical speech in reference to paragraph *a* has assumed that by that provision, in conjunction with the clause as a whole, we shall interfere with the expansion of our export trade to Great Britain.

Mr. DUGALD THOMSON.—No.

Sir WILLIAM LYNE.—Why then did the honorable member quote the quantity of butter that is being imported into Great Britain from Australia?

Mr. LONSDALE.—He did so by way of illustrating what would be unfair competition.

Mr. DUGALD THOMSON.—We are doing the very thing which paragraph *a* prohibits, and consider that our action is legitimate and fair, and so it is.

Sir WILLIAM LYNE.—That is so. To my mind, however, there is this great difference: As everybody is aware, it would be quite impossible for Great Britain to produce from her soil sufficient to support her own people.

Mr. DUGALD THOMSON.—That does not make competition unfair.

Sir WILLIAM LYNE.—I know that. The difference between Great Britain and Australia is —

Mr. JOSEPH COOK.—Where is the proof of the Minister's statement?

Sir WILLIAM LYNE.—I do not wish to enter into details, but I am sure that if Great Britain utilized every foot of land in the United Kingdom she could not produce sufficient wheat to supply 46,000,000 people with bread.

Mr. JOSEPH COOK.—I do not agree with that statement.

Sir WILLIAM LYNE.—We do not wish to be overwhelmed by importations from any part of the world which are dumped upon our market for the purpose of injuring our industries, or of lowering the wages of our people. That is the object of this legislation, but it is not the aim of British legislation. The other night the honorable member for North Sydney submitted an amendment in favour of extending a preference to the goods of the mother country. That amendment was defeated. Had it been carried, of course Great Britain would not have been included in the category of other nations which export to Australia goods of various kinds. The honorable member must not forget that under paragraph *a* competition will be deemed to be unfair only when it is undertaken with intent to destroy our industries.

Mr. DUGALD THOMSON.—No.

Sir WILLIAM LYNE.—Yes. The honorable member will see that under clause 15 that is so.

Mr. DUGALD THOMSON.—The Minister is alluding to the fact that the Comptroller-General must be of opinion that goods are being imported into Australia with the intention that they shall come into unfair competition with Australian goods.

Sir WILLIAM LYNE.—Exactly. I would further direct the attention of the honorable member to the fact that clause 14, as I propose to amend it, will read—

1. For the purposes of this part of this Act, competition shall be deemed to be unfair if—

(a) under ordinary circumstances of trade it would probably lead to the Australian goods being no longer produced, or being withdrawn from the market, or being sold at a loss, unless produced at an inadequate remuneration for labour;

Therefore, practically the whole of an industry must be threatened. If the importation of goods would only slightly interfere with the production or sale of Australian goods, it would not come within the meaning of this clause at all. The

goods must be introduced with intent to destroy an Australian industry.

Mr. LONSDALE.—Only in the opinion of the Comptroller-General, who can hold any opinion that he chooses upon the matter.

Sir WILLIAM LYNE.—The importation of goods can be prohibited only if the Comptroller-General and a Justice of the High Court are of opinion that they would probably lead to the Australian goods being no longer produced, or being withdrawn from the market, or being sold at a loss, unless they were produced at an inadequate remuneration for labour. The position taken up by the honorable member for North Sydney is not a logical one. The strong point of the clause is that, before the importation of any goods can be prohibited, the Comptroller-General and a Justice of the High Court must be of opinion that they are being introduced with intent to wipe out practically the whole of an Australian industry.

Mr. DUGALD THOMSON.—The clause does not say the "whole of an industry."

Sir WILLIAM LYNE.—It does not say "a part" of an industry. The words used are "the Australian goods," and I take it that those words mean that a prohibition can be imposed upon the importation of goods only if it is believed that their introduction will seriously injure, if not absolutely destroy, a particular industry. I do not think that the honorable member's fears will be fulfilled at all.

Mr. DUGALD THOMSON.—Paragraph c of sub-clause 2 provides that competition shall be deemed to be unfair if it would probably, or does in fact, result in creating any substantial disorganization in Australian industry.

Mr. ISAACS.—That is contained in a different paragraph.

Sir WILLIAM LYNE.—The honorable member for North Sydney has said that it would be better to deal with this matter by means of the Tariff. Under the Tariff, although we could not absolutely prohibit the importation of goods, we could do what was done in Canada, namely, impose almost a prohibitive duty.

Mr. JOSEPH COOK.—I suppose that if the Minister had been free to deal with the matter by means of the Tariff, he would not have troubled to introduce this Bill.

Sir WILLIAM LYNE.—I do not wish to discuss that question. As honorable

members are aware, I am not afraid to deal with matters of this kind by means of the Tariff. But the Tariff is still in operation, and this Parliament, if it chooses, can deal with them by increasing the duties which are at present levied, should it be deemed advisable to do so. But we shall always have to vest—either in a Board or in some individual—power to increase or reduce the duties imposed by the Tariff, according to the particular circumstances of any case.

Mr. DUGALD THOMSON.—But the Canadian law does not deal with the intent.

Sir WILLIAM LYNE.—It deals with the actual facts. If certain persons take action with the intention of injuring a trade, they will come within the law. It is immaterial what machinery is brought here; if there is a deliberate attempt, either by a large combine or by financial institutions, to produce an article at a cheap rate, either by machinery or otherwise, the effect must be the same—there must be a lowering of the wages of the wage-earning portion of the community.

Mr. LONSDALE.—But the honorable gentleman is looking after the manufacturer, not the worker.

Sir WILLIAM LYNE.—I am sure that the honorable member will be fair, and admit that I have regard to all sides.

Mr. KELLY.—How will the question of intent be determined?

Sir WILLIAM LYNE.—The clause provides absolutely for its settlement. If the Comptroller-General believes that any person, either singly or in combination with any other person within or beyond the Commonwealth, is importing into Australia goods—

with the intention that they may be sold or offered for sale or otherwise disposed of within the Commonwealth in unfair competition with any Australian goods—

he may certify accordingly.

Mr. KELLY.—Will the fact that they have damaged Australian goods prove the intention?

Sir WILLIAM LYNE.—That is a question to be considered first of all by the Comptroller-General, and subsequently by the Justice.

Mr. JOSEPH COOK.—Why not trust the Justice?

Sir WILLIAM LYNE.—That is what I am quite prepared to do.

Mr. JOSEPH COOK.—But this is a direction to the Justice.

Sir WILLIAM LYNE. — The deputy leader of the Opposition a short time since urged that some other means of dealing with these cases should be provided. It must be admitted, however, that the Government have done their best to devise a solution of the difficulty. I think the Justice will have the power to call in expert evidence in relation to any particular case; that he will be able to secure the expert knowledge which he personally lacks, and which is necessary to enable him to equitably decide any case under his consideration. We considered the question of whether or not a permanent Board should be appointed, and we found that such a proposal would not be workable. We also considered the desirableness of appointing a Board to deal with each specific case as it arose, but that did not appear to be desirable. We have now decided that a Justice shall deal with these cases, and he will probably have power to invite expert evidence.

Mr. DUGALD THOMSON.—I do not think that he will be able to deal with the intent.

Sir WILLIAM LYNE.—I think that he must do so. If the Comptroller-General believed that there was the intent to injure, it would still remain for the Justice to settle the point. If he thought that the Comptroller-General was in error, he would have power to make his award accordingly.

Mr. KELLY.—Does this sub-clause deal with the question of intent?

Sir WILLIAM LYNE.—The whole of this part of the Bill deals with it.

Mr. DUGALD THOMSON.—This sub-clause has nothing to do with the question of intent.

Sir WILLIAM LYNE.—The Attorney-General will tell the honorable member that the question of "intent" underlies the whole provision.

Mr. KELLY.—Will the honorable gentleman insert in the Bill a provision as to the intent?

Mr. ISAACS.—There is such a provision in the Bill.

Mr. JOSEPH COOK.—The question is not what the Justice believes, but rather the instruction to the Justice.

Sir WILLIAM LYNE.—I do not pretend to be able to interpret the technical language employed, but I do know that both the Attorney-General, who supervised the drafting of the Bill, and I intended

that the intent to do certain things should underlie the whole provision.

Mr. ISAACS. — And the intent is dealt with in the Bill as distinctly as anything could be dealt with.

Sir WILLIAM LYNE.—That being so, there is no danger in this provision.

Mr. DUGALD THOMSON.—The Attorney-General is referring to what would be the intent to carry on under ordinary circumstances of trade.

Mr. ISAACS.—No.

Sir WILLIAM LYNE.—It was our intention—and I believe that the Attorney-General has taken care to provide in the Bill—that the intent to injure or destroy should underlie the whole provision as to the importation of goods from abroad which come into unfair competition with Australian goods. The honorable member for North Sydney expressed his views of this provision in very temperate language, and I think that such expositions are beneficial, since they lead us into channels of thought that might otherwise escape us. I cannot see, however, that any injury will be done by the retention of this sub-clause. The comparison made by the honorable member for North Sydney between the position of Great Britain and Australia has no bearing on this question. Great Britain takes our goods because she needs them to feed her own people. We desire to protect our industries from being swamped by the cheap exports of other countries.

Mr. KELLY. — The Minister does not think that our exports to Great Britain unfairly compete with Home-grown products.

Sir WILLIAM LYNE.—The honorable member must not place such words in my mouth. So far as food-stuffs are concerned, the position of Great Britain is altogether different from that of Australia. When I remind the honorable member for Wentworth that Australia contributes only about 5 per cent. of the food-stuffs which Great Britain consumes, he will admit that we send her only a very small quantity.

Mr. LONSDALE.—We send her all that we can.

Sir WILLIAM LYNE.—I differ from that view. Under certain conditions, I believe that we should produce twenty times as much as we are now doing, and would be able to more fully supply Great Britain's requirements.

Mr. KELLY. — When we sell goods in England cheaper than we sell them here are we guilty of unfair competition?

Sir WILLIAM LYNE.—I am not going to deal with hypothetical cases. I trust that honorable members opposite will agree to the passing of this provision, for, in my opinion, it is not likely to give rise to any danger.

Mr. JOSEPH COOK (Parramatta) [9.28].—I should like to hear the views of the Attorney-General upon this question, which is purely of a technical character. The explanation given by the Minister of Trade and Customs does not clear up the matter. It is quite true that in clause 15 it is provided that the Minister may direct a Justice to make an investigation and determination of the question as to whether the goods are being imported with the intention alleged. But when the Justice proceeds to make that inquiry he will be met with an instruction which tells him that he must argue intent if he finds that, in the ordinary circumstances of trade it would probably lead to the Australian goods being no longer produced, being withdrawn from the market, or sold at a loss, unless produced at an inadequate remuneration for labour.

Mr. ISAACS.—No. I see the honorable member's difficulty, and perhaps I can explain it.

Mr. JOSEPH COOK.—I shall be glad to hear the honorable and learned gentleman do so.

Mr. ISAACS (Indi—Attorney-General) [9.31].—I fully appreciate the difficulty raised by my honorable friend. I think it is a fair one to raise, and I shall do my best to answer it. The clause with which we are now dealing might be called an interpretation. It defines what is meant by unfair competition. But, having defined it, we must see what use we intend to make of it, and for that we must turn to clause 15, because under clause 14 no powers are given. Under clause 15 we find that the Comptroller-General, in setting the Act in motion, has to come to the conclusion that the importation is with the intent to destroy or injure an Australian industry by means of unfair competition.

Mr. DUGALD THOMSON.—He arrives at the intent by considering the circumstances set out.

Mr. ISAACS.—Not quite. This clause is not a definition of intent, and that is the distinction. It is a definition of unfair competition. But, although that unfair competition may exist, it does not conclude the matter by any means. There must be

intent to destroy the industry, and to destroy it by that means.

Mr. GLYNN.—That is an alternative only in clause 15. It is not the only matter in that clause.

Mr. JOSEPH COOK.—It seems to me that clause 15 is governed by clause 14.

Mr. ISAACS.—The honorable and learned member for Angas is making a different point, which, perhaps, I might meet in this way: I have here a proposed amendment.

Mr. GLYNN.—If the honorable and learned gentleman must amend the clause that knocks out the contention of the Minister of Trade and Customs.

Mr. ISAACS.—No. The Minister's view remains exactly as it was. I am travelling slightly off the path in order to meet the point raised by the honorable and learned member for Angas. What he says is correct. There is an alternative, and I have here, already drafted, an amendment which will alter clause 15 so as to read—

with intent to destroy or injure any Australian industry by their sale or disposal.

Mr. GLYNN.—That shows that the Minister of Trade and Customs was mistaken.

Mr. ISAACS.—That meets the difficulty and gets rid of the alternative, but it leaves the other question raised by the honorable member for Parramatta in exactly the same position. Having got the intent, which is essential in every case, it must be shown that it is an intent which is to be carried out by the sale or disposal of the imported goods.

Mr. DUGALD THOMSON.—Those words are in the clause now.

Mr. ISAACS.—Not in that form, but in a form which does not get rid of the alternative.

Mr. GLYNN.—The alternative practically neutralizes them.

Mr. ISAACS.—They are in with an alternative owing to the acceptance of the suggestion made by the honorable and learned member for Northern Melbourne, to include industry. We put that in, but we did so with an alternative. Now we wish to restore the clause, so as to include the suggestion of the honorable and learned member for Northern Melbourne, and at the same time get rid of the alternative, which I acknowledge the honorable and learned member for Angas has very properly pointed out, but which we had already seen. The intent to destroy must be proved in every case, and it has to be carried out by

means of unfair competition. The unfair competition is merely the axe; the intent to improperly use it must be shown. The mere fact that a person is in possession of an axe is not sufficient to disclose any improper intent.

Mr. KELLY.—If a man walks along a street with an axe and hits some one with it, is nothing to be done to him?

Mr. JOSEPH COOK.—If a man murders another with an axe and says that that was not his intent, is he to escape?

Mr. ISAACS.—If a man has an axe he may use it for a very lawful purpose, but if he comes into an assemblage of people and uses his axe there with improper intent, he should be stopped.

Mr. KELLY.—Under the terms of this clause, if he were to come into the assemblage at all, the improper intent would be assumed.

Mr. ISAACS.—No. I think I can put it in a way which will at once strike the honorable member for Wentworth as the proper way in which to put it. Suppose we make an algebraic substitution, and read the words into clause 15 thus—

with the intent to destroy any Australian industry by the sale or disposal of the imported goods in competition with Australian goods in a manner which, under the ordinary circumstances of trade, would probably lead to those goods being no longer produced, or being withdrawn from the market, or being sold at a loss, unless produced at a lower remuneration for labour.

Does my honorable friend see that?

Mr. DUGALD THOMSON.—The exporter knows that the export of our goods to Great Britain must at once disturb and disorganize, to some extent, the trade in similar products of that country.

Mr. ISAACS.—My honorable friend will see that we are not dealing with that at all at the present time. That is covered by another paragraph. That is only a *prima facie* piece of evidence, and we are now dealing with paragraph a, which is more than *prima facie*.

Mr. DUGALD THOMSON.—The exporter knows that that must be one of the effects from the export of our goods, if it is successful.

Mr. ISAACS.—I do not think the honorable member is doing justice to this particular clause. This is a definition of the words "unfair competition." The other paragraph to which my honorable friend is referring is only *prima facie*.

Mr. DUGALD THOMSON.—If the exporter knows that he can compete successfully,

he knows that he will produce those results in the country in which he competes.

Mr. ISAACS.—No. The first step I wish to take is to explain that the intent is necessary in every case. Then the intent is to do it in a particular way—this way. Now, I have to deal with what this way means. It means, in the ordinary course of trade, if, no matter what you may do in the way of improving your machinery, no matter what advanced methods you adopt, how wise your system or how up-to-date it may be, you cannot maintain the Australian industry without giving an inadequate remuneration for labour. We propose, as honorable members are aware, to substitute the word "inadequate" for the word "lower." I say that you have to assume these things: First of all, an Australian industry which, by the terms of the Bill must, in all cases, be one that is of general benefit to Australian producers, workers, and consumers alike. In the specific words, put in last night, which I do not think carry the effect much further, but which put the question beyond all doubt, it must be an industry in which the workers receive adequate remuneration, and are not subject to any unfair terms or conditions of employment. Having that industry, which is of general benefit, and is one in which the workers are well treated, then we say that the competition is unfair if goods are imported with the intent, the deliberate intent, to break down that industry by methods which we say are unfair, that is to say, in this instance, methods which no new machinery, good method, or advanced system can avert, and which can only be averted by the lowering of the remuneration of labour to an inadequate amount. That is a summation of the position.

Mr. DUGALD THOMSON.—We are competing in the same way in other countries.

Mr. ISAACS.—The honorable member will forgive me for saying that that is another question altogether, or, as Kipling would say, "That is another story."

Mr. KELLY.—It is another story which must be kept in mind.

Mr. ISAACS.—It may be kept in mind, but with that at present we are not concerned. What we are concerned with in this Bill is the preservation of Australian industries. If other countries bring the same law into force within their territory, I shall not complain.

Mr. KELLY.—Why say that this is unfair, when we are doing it ourselves elsewhere?

Mr. ISAACS.—But I do not say we are. I think that is a fair answer, though it is immaterial to the Bill what we are doing. We are not going abroad and planting our produce in the Home market with the intent to break down and destroy industries by unfair competition.

Mr. CAMERON.—But what if the result is the same?

Mr. ISAACS.—This Bill does not prevent the importation of goods which would have an injurious effect on our industries if our industries suffer that injury by fair competition—that competition we have to meet, and the Bill offers no obstacle. If foreign countries send their goods here under our protective Tariff—which is intended to meet ordinary cases, and to provide only for fair competition—and thus lessen our production, we have to bear that, because the Tariff is framed on the basis that we employ advanced methods. I, for one, would do nothing to prevent the necessity for advanced methods, because we ought to be up-to-date; but the Bill declares—rightly or wrongly; it is a matter of principle—that if, in spite of our Tariff, our advanced methods, and all we can do to keep up-to-date, the only way we can maintain production is by cutting down wages or lengthening the hours of work unduly, the competition is unfair. That is the whole provision in the sub-clause; and under the circumstances I think it is a fair provision.

Mr. DUGALD THOMSON.—If what the Attorney-General describes is unfair competition, what is fair competition?

Mr. ISAACS.—Fair competition I take to be competition that does not necessitate, in spite of all else we can do, lowering the standard of the wage-earner.

Mr. DUGALD THOMSON.—We would have no exports.

Mr. ISAACS.—I am not talking of exports, but of what comes into the country. We are concerned with Australian industries.

Mr. CAMERON.—What about Australian producers?

Mr. ISAACS.—I respectfully say that that is outside the scope of the Bill.

Mr. JOSEPH COOK (Parramatta) [o.42].—I do not think that the Attorney-General has met the difficulty. The honorable and learned gentleman, when he

argues intent, is assuming an ordinary actual case; but the Bill goes much further. We have to take into account, not merely the action when committed, but also the probability of its effect. How are we to argue intent from the mere probabilities of the case?

Mr. ISAACS.—I submit that we do not do that; the sub-clause does not deal with intent.

Mr. JOSEPH COOK.—The sub-clause deals with probabilities.

Mr. ISAACS.—The sub-clause does not deal with intent, because intent is provided for independently.

Mr. JOSEPH COOK.—The honorable and learned member is now answering his own statement made a little while ago—that intent was provided for later on—but that appears not to be the case.

Mr. ISAACS.—It is provided for.

Mr. JOSEPH COOK.—According to the sub-clause the Judge has to argue as to the probabilities of the effect of the importation of goods. The Judge has not to take into account the intention in the actual importation, but he has to consider what will be the probable effect of the importation before it takes place. That is to say, the Judge has to look ahead, and consider the emergencies of the situation; he has to say to himself that, if a certain course is pursued, it may lead to certain results. There is no question of intention; it is simply a sizing up of the whole circumstances surrounding the importation of goods. It seems to me impossible to in that way argue any intention.

Mr. KELLY.—It is impossible to assess intent by itself.

Mr. JOSEPH COOK.—Intent cannot be deduced from the mere probabilities of the situation. We can only judge what a man's intention is when that intention has expressed itself in some concrete act; and the expression of intention in this case would be the actual importation of the goods—there could be nothing else from which to argue. No proceeding can take place under the Bill unless a man complains that actual importations are damaging him, or unless he gets to know that importations are in process which will probably damage him by leading to the dislocation and disorganization of his industry. How it is possible to argue any intent from an act which is incomplete, I am at a loss to understand. The Minister would do well to accept the amendment, which

would lead to simplicity in the administration of the Bill, and would not, so far as I can see, make the measure any less substantially effective, while it would lead to the removal of possible causes of harassment to importers and traders. I take it that so long as substantial justice is done, from the Attorney-General's point of view, there is no desire for harassing restrictions. The sub-clause would lead to almost an infinity of legal argument before a Judge. We may take it that the first act of the parties interested would be to employ counsel; and if we let the lawyers loose on sub-clause *a*, to argue the question of probabilities in connexion with contingent actions, they would, it seems to me, argue until doomsday. The parties would be in a state of financial collapse before any action could be decided under the sub-clause. If I could believe that there was any substantial need for the sub-clause, I should not press the matter, neither, I think, would the honorable member for North Sydney. I suggest very strongly that sub-clause *a* should be deleted, and the Judge, or the Comptroller-General, left to decide what, in the circumstances, is unfair competition. Surely such a proposal covers every reasonable ground? After we have set up a tribunal in the shape of a competent Judge, why should we fetter and limit his discretion? Why is there any desire to give a Judge directions? Why not trust the Judge?

Mr. KELLY.—Trust the Court!

Mr. JOSEPH COOK.—Trust the Court; though I fear very much that it will be a law Court, and not a Court of substantial and rough justice. Let us leave the whole discretion to the Judge, and not tie him with positive directions from those, who, after all, will be laymen, and, perhaps, less able to instruct him than he will be able to instruct himself from the evidence. I do not see what good this clause can be for the purpose which the Minister has in view, considering the provision later on to which he has referred. For instance, if this sub-clause be deleted, the Judge will still be left to decide what is unfair in the circumstances—competition will still be deemed to be unfair until the contrary is proved, or if it probably will, or does in fact, result in lowering the remuneration for labour, in creating substantial disorganization in Australian industries, or in throwing workers out of employment. With all these intimations to

the Judge, and with the burden of proof placed on the defendant, there is no need to direct the Judge to regard as improper and unfair, the acts mentioned in sub-clause *a*. Before leaving this question, I should like to say that I think the Minister had better have said nothing about Great Britain. When legislative effect is given to this clause, we shall be setting up a law imposing restrictions against Great Britain which, if she reciprocated, would absolutely ruin our export trade. This clause will stand absolutely as the reversion, entire and complete, as between Great Britain and ourselves of the motto, "Whatsoever ye would that men should do to you, do ye even so to them."

Mr. KELLY (Wentworth) [9.51]. — It seems to me, in considering this clause, that if, taking the contention of the Opposition as correct, we assume that what is meant by "unfair competition" is "successful" competition, and then follow out the effect, we shall find that "the intent" to which the Attorney-General has referred is no safeguard whatsoever. Any one in the mother country competing with a protected industry in Australia, and finding that his yearly sales in this country were becoming greater and greater, must, if he were a man of ordinary common sense, realize that he was detrimentally affecting the productions of the Australian protected industry with which he competed. He must realize that the goods in that industry were being no longer produced, or were being withdrawn from the market, or were being sold at a loss, or were being produced at an inadequate remuneration for labour, whenever his sales were becoming greater, that he was injuring the industry, and, therefore, according to this Bill, was guilty of "unfair competition." In that case, what has the Judge to do? It is his duty to investigate and determine whether the imported goods are being imported with the "intention aforesaid." I have just shown that if the importer is successful, he must be aware that he is guilty of what this Bill defines as "unfair competition." Therefore I say that the word "intent" in the Bill, on which the Attorney-General has dwelt, is absolutely no safeguard against abuse. If we wish absolutely to prohibit importations from abroad that might compete with some protected industry, the most open and straightforward method is to pass a law absolutely prohibiting the importation of the

goods in question. At present we are endeavouring to prohibit importations by a surreptitious underhand method. We are describing as "unfair competition" what is simply successful competition. We are preventing the home manufacturer in Great Britain, under penalties, from dealing in our markets. In attempting in this way to strike at successful competition, we are simply guilty of a mean sham. When we sell our produce cheaper in England than we sell it in this country, is not that "unfair competition" within the meaning of this Bill? When we grow wheat on our cheaper lands, and under our better climatic conditions, and send that wheat under cheap freights over our local railways and over the seas, and when we know that by so competing we very detrimentally affect the home grower of wheat, are we not guilty, according to our own definition, of "unfair competition"? But we claim that that is very successful and legitimate trade. I agree that it is. But if it is legitimate for us to do these things, ought we not to say that it is equally legitimate for those at the other end of the world? If we wish to stop them from competing in our markets, why, in the name of common sense, do we not say, "We are not going to trick with words; we are not going to employ legal quibbles; we shall absolutely prevent your products from reaching our shores; we believe that your trade is successful; we do not want it to be successful; we are going to stop it in a straightforward, honest way." The only antidote for this treatment which we propose to mete out to English traders is for Great Britain to do the same thing to us. Then we should crawl down, and the producers of Australia would soon be looking for the omniscient legislators who are responsible for this Bill, who would be searching for all the hollow logs they could find. If anything could be described as particularly unworthy in the speeches or thoughts of the Minister of Trade and Customs, it was the suggestion made by him that we should put aside all moral considerations because of the necessities of the dear old mother country. The Minister told us that the whole world knew that, willy-nilly, Great Britain had to take our produce, and he seemed to think that that was a sufficient answer to the arguments of the honorable member for North Sydney.

Mr. FISHER.—Why has Great Britain to take it?

Mr. KELLY.—Because she wants it. We know that she wants it. But the mere fact that she has to take it, and that it is to her interest to take it, is no reason why we should deal unfairly with English traders.

Mr. FISHER.—She takes it because she can do no better, just as we should do.

Mr. KELLY.—I am confessing that she has to take it. But do the national necessities of Great Britain furnish a reason why we should be unjust to her? Surely if any portion of the world is worthy of our love and our consideration it is the mother country. I do not think there is a man in this Chamber who would have the temerity to stand on any platform before his constituents and preach a policy of meanness against the United Kingdom. If we are afraid to preach a policy of open meanness to the mother country, honorable members ought not to do mean things towards her in a surreptitious way. The statement to which I have referred was not worthy either of the Minister of Trade and Customs or of this Chamber.

Mr. FISHER.—Do we differentiate against Great Britain?

Mr. KELLY.—We are declaring proper and fair operations of trade to be unfair, whilst claiming that our own similar operations are perfectly proper.

Mr. FISHER. — The honorable member would advance his arguments better if he left out those sentimental expressions.

Mr. KELLY.—I hope that the deputy leader of the Labour Party will not refer to any one's love of the mother country as a mere sentimental idea. I can assure him that so far as honorable members on this side are concerned our love for the mother country is far deeper than a mere sentiment. I do not think it will help the great party which he so ably leads if he were to make it known to the people of Australia that he regards his love of the Imperial connexion or the great people from whom we are sprung as a mere sentiment. I do not think that any one who looks at the sub-clause in this straightforward way will think that it should be permitted to remain. If it is excised the clause will still be effective. The only difference will be that we shall be absolutely trusting the Court instead of imposing restrictions thereon. I think it would be adequate for all its purpose if

the first part of clause 14 were made to read as follows:—

For the purposes of this part of the Act competition shall be deemed to be unfair if the means adopted by the person importing or selling the imported goods are, in the opinion of the Comptroller-General or the Justice, as the case may be, unfair in the circumstances.

That, I think, would meet the whole case, and, therefore, I heartily support the amendment.

Mr. LONSDALE (New England) [10.2].—Knowing the purpose for which the Bill is introduced, we must oppose any clause of this kind. The Minister attempts to make us believe that the great object of the measure is to look after the interests of the workers—in other words, to prevent goods from being imported with the result that the wages of the workers might be reduced. That is the idea which Ministers wish the public to have, when they know full well that the one great object is to help the manufacturers. Last night they opposed an amendment which would make it clear that the workers were to get some advantage until the Labour Party began to talk, and then the Minister of Trade and Customs crawled into his hole and assented to the amendment. I wish the hypocrisy of these men to be known. They are describing as unfair competition that which is absolutely reasonable. The object is to prevent persons who are importing goods under fair conditions from competing with men in the States. Take the case of the gentlemen in whose interests the Bill is introduced—and it is of no use for Ministers to attempt to deny that it is introduced to benefit men who are making a fortune every year from the manufacture and sale of harvesters—the Government were afraid to wait until the report of the Tariff Commission was available to assist honorable members in coming to a decision on these matters. I know that before that body the gentlemen at whom the Bill is aimed gave evidence to the effect that in comparison with Australian manufacturers they paid more for their material, paid higher wages, and manufactured more cheaply, because they specialized more, and used more and better machinery. Because our local manufacturers do not specialize to a greater extent and put in better machinery the great public of the Commonwealth are to be penalized by the stopping of such competition on the ground that it is unfair. The idea is an outrage upon common sense and

decency. No decent men with a sense of honour would introduce a Bill of this kind for such a purpose.

The TEMPORARY CHAIRMAN (Mr. BATCHELOR).—The honorable member must not make a remark of that kind. I ask him to withdraw it.

Mr. LONSDALE.—I withdraw it; but I can think it all the same. How can we say that a man intends to do a thing which may bring about a certain effect? If we say that he intends to bring about a certain effect, that is all right. But how can we say that the intent is really there, simply because the action may bring about a certain effect? The thing is simply ridiculous. I anticipate that what will be done is to get a new kind of X-ray, so that we may be able to see what a man's intent is. If they had only made the invention before bringing in the Bill, it might have been useful. I am against every clause in the Bill, especially this one which the honorable member for North Sydney seeks to omit. In every class of machinery continuous improvements are being made. Manufacturers in the older countries, with their larger production and population, are able to adopt every improvement at once. But with our smaller production and population, it does not pay our manufacturers to adopt improvements as they come out. Ofttimes we find our manufacturers employing obsolete machinery, and simply because it would not pay them to change their machinery as often as improvements are made, the great body of the public, the millions, have to suffer for the sake of a few. Legislation is, or ought to be, intended to benefit the larger number. Certainly the greater number should be considered in framing legislation of this kind. At the end of the clause I should like to put in a proviso that the Act shall not be put in force in favour of any industry where an examination of the accounts shows that they are making a fair profit. I think that the Minister should not object to that. If the Justice is to be directed as to intention, and as to what is unfair trade, he should also be directed to investigate the accounts of those who ask for the intervention of the Minister, with a view to ascertaining whether, although seeking to prevent competition, they are not really making large profits, as those in whose interests the Bill has been introduced are doing to-day.

Mr. ISAACS.—The Justice will have full power.

Mr. LONSDALE.—I wish to make that clear.

Mr. ISAACS.—It is clear.

Mr. LONSDALE.—It seems to me that it is not clear, and I wish it to be made clear to everybody. We are frequently told that the provisions of the measure are clear, but the public find, when any question arises, that lawyers are always ready to give opposite opinions, and what appears to be the obvious interpretation of an enactment often lands them in trouble.

Mr. CONROY (Werriwa) [10.12].—I wish to reiterate the assertion that, in passing this clause, we are drifting into a very serious position. In previous cases in which we have left our determinations uncertain, the result has always been very different from the intention of Parliament, and I fear that, if the clause is passed, it will be used in a manner in which honorable members do not intend that it shall be used. The Committee has not been able to define the meaning of unfair competition. We do not know that the use of new labour-saving inventions for the production of goods may not be regarded, if the goods are sold in this market, as unfair competition. It seems to me that the Minister can take advantage of this provision to prohibit the importation of goods made abroad by superior machinery to that in use in Australia, on the ground that the competition is unfair because Australian-made goods could not be sold at the same price without lowering the rates of wages. We are handing over to the Minister a power which should be exercised by Parliament only after the fullest and freest discussion, and we cannot foresee the evil which may result from this course. We know that evil has resulted elsewhere from giving Ministers powers which should be exercised by Parliament only. We know what has happened in New South Wales through the giving of excessive powers to Ministers in connexion with the administration of lands and mining Acts. Nominally, the Comptroller-General is to set proceedings in motion, but we know that that officer must do as his Minister directs him. No doubt it would be a safeguard against improper Ministerial direction if we provided that the informant in any case should, if his appeal were not upheld, make good the loss suffered by the person proceeded against. As the Bill stands, a

statement which may be untrue may be sufficient to set proceedings in motion which would put the person proceeded against at an expenditure of hundreds, and, perhaps, of thousands, of pounds, because evidence may have to be taken on commission in other parts of the world.

Mr. FISHER.—We are not doing away with Ministerial responsibility.

Mr. CONROY.—Is the Ministerial responsibility worth a rap? The Minister will always have the excuse that the Comptroller-General was in the wrong.

Mr. FISHER.—He would be a poor creature if he made that excuse.

Mr. CONROY.—Have we not had poor creatures in this Chamber? Are there any some in the present Parliament? The honorable member would prefer not to answer that question. He knows that there are some. We are giving to the Minister a power which should be exercised by Parliament only. If competition were unfair it might be met by raising the rate of duty subject to Parliamentary ratification. The importer would then have to pay the high rate, or give security for the amount, unless Parliament had dealt with his case. That arrangement would prevent local manufacturers from lightly or maliciously proceeding against competitors from abroad. I cannot impress too strongly upon the Committee the need for keeping the control of these matters within the hands of Parliament. Where there are two political parties only, divided on clear lines of principle, the danger is not so great; but we know how confused political thought in Australia is just now. That can be seen by the way in which members change their positions in this Chamber, and by the way in which they contradict, by their votes, the opinions they enunciated on the public platform.

Mr. PAGE.—The political situation is the same all over the world.

Mr. CONROY.—Fortunately, the inherent honesty of this community has hitherto saved us from the evils which have been so conspicuous elsewhere. Our Parliament has not sunk to so low a depth as that which those of some other countries have reached; but no Parliament should intrust to a Minister powers such as are given by the Bill. If a Minister is given these powers, he should be permitted to exercise them only subject to the subsequent ratification of his actions by Parliament.

Mr. PAGE.—We can deal with the Minister at any time.

Mr. CONROY.—Not unless a matter is specially brought before Parliament.

Mr. PAGE.—That is the proper place in which to deal with him.

Mr. CONROY.—How could we deal with the Minister in cases in which no evidence was taken—in which he refused to act upon evidence, and relied entirely on his own opinion? He might very well say that it was merely a matter of opinion. Let me direct the attention of honorable members to what happened in connexion with the clause in the section of the Customs Act empowering the Minister to seize an importer's books. We must remember the unfortunate state of health into which a former Minister of Trade and Customs fell. There was no doubt that, acting under an hallucination, he grievously persecuted a certain individual, who has never been able to obtain redress because of the extreme power placed in the hands of the Minister.

Mr. FISHER. — I think the honorable member's statement is most regrettable.

Mr. CROUCH.—It is one of the most disgraceful statements that he has made in this House.

Mr. CONROY.—Surely there is nothing wrong in stating that a Minister's unfortunate state of health precluded him from giving to a particular case the consideration that was necessary.

Mr. PAGE.—The Minister was not in an unfortunate state of health at that time.

Mr. CONROY.—I do not wish to dwell upon the matter.

Mr. CROUCH.—The honorable and learned member ought to be ashamed of himself for making the statement at all.

Mr. CONROY.—Does the honorable and learned member think that facts ought not to be stated in this House?

Mr. CROUCH. — If the honorable and learned member would adhere to the facts I should be glad.

Mr. CONROY.—Would the honorable and learned member cease his ignorant and impertinent interjections?

The CHAIRMAN.—Order!

Mr. PAGE.—The Minister referred to is one of the whitest men in this House.

Mr. CONROY. — I was not discussing the character of the Minister, but was pointing out what had happened under a provision contained in the Customs Act. I predicted what would occur, and my forecast

has proved to be a true one. At the time that the Customs Act was under discussion, one of the present Ministers said that redress would be afforded to a person who had a grievance against the authorities, but the Law Courts have decided otherwise. Apart altogether from the question of whether any real cause of grievance exists, the person who regards himself as having been injured cannot have his case tried in a Court of Law.

Mr. PAGE.—The honorable and learned member has a poor case when he attacks the Minister referred to.

Mr. CONROY. — I am not attacking any one. It is most remarkable that the honorable member cannot see that I was speaking of the provision in the Customs Act, which gives power to the Minister to seize a man's books. I then referred to the state of health of a previous Minister, which did not permit him to give proper consideration—

Mr. SALMON. — The honorable and learned member should not say that. It was because the Minister gave too much personal consideration to the affairs of his Department that his health broke down.

Mr. CONROY.—I say that the state of the Minister's health would not permit him to give proper consideration to the case.

Mr. MAUGER. — That is an outrageous statement.

The CHAIRMAN.—Order! The honorable and learned member will be in order in referring incidentally to any clause in the Customs Act; but he will not be justified in making personal references of a derogatory character to honorable members.

Mr. CONROY.—I mentioned no name.

Mr. CROUCH. — The honorable and learned member slandered an absent man.

Mr. CONROY. — The honorable and learned member knows that he lies when he calls my statement a slander.

The CHAIRMAN.—Order! The honorable and learned member must withdraw that remark, and the honorable and learned member for Corio must also withdraw his observation.

Mr. CONROY.—I withdraw my remark, but I desire to say that the honorable and learned member for Corio made a most unwarrantable statement.

Mr. CROUCH.—I made a statement that the honorable and learned member was slandering an absent man by saying that he did certain things in connexion with

the administration of the Customs Department under an hallucination.

The CHAIRMAN.—Order. The honorable and learned member must withdraw his remark.

Mr. CROUCH.—I withdraw it, but I desire to make a personal explanation. The honorable and learned member for Werriwa said that the right honorable member for Adelaide—

Mr. CONROY.—I did not mention any names.

Mr. CROUCH.—But the honorable and learned member indicated very clearly the person to whom he referred. I cannot repeat what I have stated, but I think that honorable members know exactly what the right honorable member for Adelaide was, and what he is.

Mr. CONROY.—I did not think that there was a man in this Chamber who was unaware that the state of health of the Minister referred to had precluded him from giving proper attention—

The CHAIRMAN.—Order. The honorable and learned member must not pursue that line of argument.

Mr. CONROY.—I do not desire to. I merely wish to show that in the Customs Act we conferred upon the Minister power to do certain things, and that, rightly or wrongly, any person who might be aggrieved had no remedy against him. Will that please honorable members?

Mr. PAGE.—That is better.

Mr. CONROY.—The principle remains exactly the same. I have indicated what took place under the Customs Act. I admit, for the sake of argument, that the fullest consideration was given to the case in question, but I repeat that as the section stands, an aggrieved person has no remedy. Under this clause an aggrieved person would be equally helpless. Even though a person might be successful in proving that the provisions of the Bill ought never to have been applied to him, he would have no remedy. I do not want to say what I think of the honorable and learned member for Corio, or his interjections.

The CHAIRMAN.—Order.

Mr. CONROY.—Perhaps I ought not to have taken them seriously—or, indeed, to have taken any notice whatever of them. The honorable and learned member enjoys the proud distinction of being the most stupid man in the House.

The CHAIRMAN.—Order. The honorable and learned member must withdraw that remark.

Mr. CONROY.—I withdraw the expression, and leave the honorable and learned member to the tender mercies of his constituents. At one time I lived in the district represented by him. I do not know what has come over the electors in that part of the State. Perhaps they returned the honorable and learned member in order to punish me for my sins.

The CHAIRMAN.—Order.

Mr. CONROY.—The clause will be put to uses which no honorable member can anticipate. Honorable members would not believe me when I foretold what would happen under the Customs Act. I was told that my remarks were foolish, but events have proved that what I stated was true, and that those were foolish who would not pay any attention to me. I maintain that if the clause be passed in its present form we shall bring about, not only a repetition of the action to which I have referred, but the degradation of Parliament itself. A number of the clauses in the Bill vest so much power either in the Minister or in the officials who directly control him that their operation must be injurious. I am perfectly satisfied of the accuracy of my statement. I made a similar prediction when yet another clause in the Customs Act was under consideration.

Mr. TUDOR.—The honorable and learned member is a great prophet.

Mr. CONROY.—Is it not unfortunate that my prophecies have been fulfilled?

Mr. TUDOR.—The honorable and learned member will find that they have not been realized if he consults *Hansard*.

Mr. CONROY.—At the time the Customs Bill was under consideration, did I not predict that some future Ministerial head of the Customs Department would probably take advantage of its provisions to increase the valuation of imported goods for Customs purposes? Have not my prophecies been verified in that connexion? Has not the Minister increased the valuation of harvesters for Customs purposes? Has he not increased their price above that at which the local manufacturer himself swore before the Tariff Commission he could produce them in Australia?

Mr. WATSON. — The price to the consumer has been reduced.

Mr. CONROY.—In consequence of the duty having been increased?

Mr. WATSON. — It has been reduced, nevertheless.

Mr. CONROY.—Only a few weeks ago the honorable member for Melbourne Ports declared that it was necessary to impose a duty upon a certain article in order to raise its price, so that those engaged in its manufacture might receive higher wages. Consequently, it follows, from his method of reasoning, that when we reduce the price of an article we lower the wages of the men engaged in its production.

Mr. MAUGER.—The honorable and learned member does not know what he is talking about. He should knock off and let us go home.

Mr. CONROY.—I should discontinue my speech, I suppose, to allow the honorable member and his little ring to have their own way. I do not blame the honorable member, because he merely acts as an agent, and therefore I have never advertised upon him.

Mr. MAUGER.—I would direct your attention, Mr. Chairman, to the statement of the honorable and learned member that honorable members are acting as agents. I ask that he be directed to withdraw it.

The CHAIRMAN.—I did not understand the honorable and learned member for Werriwa to make that statement, but if he did so I am sure that he will withdraw it.

Mr. CONROY.—I did not say that honorable members acted as agents. The clause provides that competition shall be deemed to be unfair if—

Under ordinary circumstances of trade it would probably lead to the Australian goods being no longer produced, or being withdrawn from the market, or being sold at a loss, unless produced at a lower remuneration for labour.

Is not that practically the statement which I alleged that the honorable member for Melbourne Ports had made? There can be no escape from the position. Almost any person, except the honorable member himself, would be able to grasp it. It is monstrous that this Committee should be at the beck and call of the Minister of Trade and Customs. I am satisfied that he is the most dangerous man who has ever entered the public life of Australia.

The CHAIRMAN.—The honorable and learned member must withdraw that remark.

Mr. CONROY.—I withdraw. I can only say that this class of legislation has always been brought forward for the purpose of giving the Minister an absolute and autocratic control. I know of nothing which is likely to prove so dangerous as is the intrusting of power to a man like him. I can only hope that at the next election tituents will prevent him, not only

from occupying Ministerial office, but from being a member of this House.

Question—That the word “under” proposed to be left out stand part of the clause—put. The Committee divided.

Ayes	30
Noes	12
Majority				18

AYES.

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Carpenter, W. H.	Poynton, A.
Chanter, J. M.	Salmon, C. C.
Chapman, A.	Spence, W. G.
Crouch, R. A.	Storrer, D.
Culpin, M.	Thomson, D. A.
Deakin, A.	Tudor, F. G.
Ewing, T. T.	Watkins, D.
Fisher, A.	Watson, J. C.
Forrest, Sir J.	Webster, W.
Groom, L. E.	Wilkinson, J.
Higgins, H. B.	
Hutchison, J.	
Isaacs, I. A.	
Lyne, Sir W. J.	

Tellers:

O'Malley, King
Cook, Hume

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Cameron, D. N.	Thomson, D.
Conroy, A. H. B.	Willis, H.
Cook, J.	Wilson, J. G.
Glynn, P. McM.	
Johnson, W. E.	
Liddell, F.	
Lonsdale, E.	

Tellers:

Kelly, W. H.
McWilliams, W. J.

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Kennedy, T.	McCay, J. W.
Thomas, J.	Gibb, J.
Frazer, C. E.	Lee, H. W.
Bonython, Sir J. L.	Smith, S.
Phillips, P.	Fuller, G. W.
Maloney, W. R. N.	Wilks, W. H.
Hughes, W. M.	Skene, T.
Mahon, H.	Robinson, A.
Ronald, J. B.	Reid, G. H.
Bamford, F. W.	Knox, W.

Question so resolved in the affirmative.
Amendment negatived.

Paragraph *a* of sub-clause 1 amended to read as follows:—

(*a*) under ordinary circumstances of trade it would probably lead to the Australian goods being no longer produced or being withdrawn from the market, or being sold at a loss, unless produced at an inadequate remuneration for labour; or.

Paragraph *b* of sub-clause 1 consequentially amended.

Amendment (by Mr. DUGALD THOMSON) agreed to—

That the word “until,” line 15, be left out, with a view to insert in lieu thereof the word “unless.”

Mr. JOSEPH COOK (Parramatta) [10.48].—I move—

That paragraph *a* of sub-clause 2 be left out.

COMMONWEALTH OF AUSTRALIA.

I N D E X

TO

PARLIAMENTARY DEBATES.

SESSION 1906.

June 7 to October 12.

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PART I

SPEECHES.

June 7 to October 12, 1906.

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Message recommending appropriation, 1332; *cons. mes.*, order of leave and Bill read a first time, 1438; 2R. moved, 1968; debated, 1977, 2048, 2276, 2335; Bill read a second time, 2365; considered in *com.*, 2365, 3383; proceedings interrupted by count-out, 3396; leave to move for restoration refused, 3436; *m.* to restore proceedings agreed to, and Bill further considered in *com.*, 3546; reported, 3623; *ad. rep.*, and 3R. moved and debated, 3720; Bill read a third time, 3734

Senate:

Bill received from House of Representatives, and read a first time, 3740; 2R. moved, 5651; debated and *amdt.* to postpone 2R., 5655, 5729; *amdt.* negatived, and Bill read a second time, 5761; considered in *com.*, 5761; order of the day read and discharged, 6485

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CANTEEN BILL.

House of Representatives:

Order of leave and Bill read a first time, 243; 2R. moved, 1524; debated, 1529; Bill read a second time and considered in *com.*, 1536; *m.s.o.*, *ad. rep.*, and Bill read a third time, 1537

Senate:

Bill received from House of Representatives, and read a first time, 1523; 2R. moved, 1832; debated, 1834, 2201, 2903, 3273, 3641; motion negatived, 3648

COMPANIES (REGISTERED OFFICES) BILL.

House of Representatives:

Order of leave, 4321

CONSTITUTION ALTERATION (SENATE ELECTIONS) BILL.

Senate:

Order of leave and Bill read a first time, 2998; 2R. moved, 3740; debated, 3742, 3817, 3916; Bill read a second time and considered in *com.*, 3934; reported, 3955; *m.*, 4062; call of Senate, 4274-94; *ad. rep.*, moved and debated, 4292; report adopted, 4294; 3R. moved and debated, 4797; Bill read a third time, 4802; message, 5030

House of Representatives:

Bill received from Senate and read a first time, 4965; 2R. moved, 5046; debated, Bill read a second time, considered in *com.* and *ad. rep.*, 5047; 3R. moved and debated, 5057; Bill read a third time, 5062

CONSTITUTION ALTERATION (NATIONALIZATION OF MONOPOLIES) BILL.

Senate:

Order of leave and Bill read a first time, 2894; 2R. moved, 3262; debated, 4022, 4991, 5610, 6031; negatived, 6060

CONSTITUTION ALTERATION (SPECIAL DUTIES) BILL.

House of Representatives:

Motion for leave to introduce moved and debated, 3696; agreed to and Bill read a first time, 3697; 2R. moved, 3859; debated 4321; Bill read a second time, 4357; considered in *com.*, 4357, 4744; *ad. rep.*, 4795; 3R. moved and debated, 5062; Bill read a third time, 5065

Senate:

Bill received from House of Representatives, and read a first time, 5031; 2R. moved, 5205; debated, 5276, 5358; Bill read a second time, 5420; considered in *com.*, 5420, 5585, 5621; reported, 5628; *m.s.o.* moved and debated, 5640 (*p.o.*, 5640), 5644; *m.* to dissent from President's ruling, 5644, negatived, 5645; *m.s.o.* agreed to, *m.* for call of Senate and *ad. rep.*, 5650; 3R. moved and debated, 5798; Bill laid aside owing to 3R. not being agreed to by statutory majority, 5808

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CONSTITUTION ALTERATION (STATE DEBTS) BILL.

House of Representatives:

Motion for leave to introduce moved and debated, 3697; agreed to, 3698; Bill read a first time, 4022; 2R. moved, 4223; debated, 5032, 5045; Bill read a second time, considered in *com.*, and *ad. rep.*, 5046; Bill read a third time, 5057; Bill returned from Senate with *amds.*, 5901; *cons. amds.*, 6095; reported and report ordered to be considered at a later hour, 6125; *ad. rep.*, 6132

Senate:

Bill received from House of Representatives, and read a first time, 5031; 2R. moved, 5201; debated, 5210, 5264; Bill read a second time, 5276; considered in *com.*, 5276, 5628; reported, 5631; *m.s.o.* 5650; *ad. rep.*, 5651; 3R. moved and debated, 5808; Bill read a third time, 5822; Bill returned from House of Representatives, and message ordered to be printed, and considered at later hour, 6136; *cons. mes.*, 6482; *ad. rep.* moved, but failing to secure absolute majority, declared not passed, 6483

COPYRIGHT BILL.

House of Representatives:

Order of leave, 3015; Bill read a first time, 3050; 2R. moved, 3315

CUSTOMS TARIFF (AGRICULTURAL MACHINERY) BILL.

House of Representatives:

Order of leave, and Bill read a first time, 5133; 2R. made an order of the day for a later hour, 5134; Bill read a second time, and considered in *com.*, 5153; reported, *m.s.o.*, and Bill passed through its remaining stages, 5162; message, 6382; assent reported, 6488

Senate:

Bill received from House of Representatives, and read a first time, 5165; 2R. moved, 5783; debated, 5789, 5822, 5902; *amdt.* to postpone further consideration of Bill, 5905; (*p.o.* as to constitutionality of Bill, 5949-68); *amdt.* negatived, Bill read a second time, and considered in *com.*, 5968; *ad. rep.*, 5981; 3R. moved, and *m.* for *recom.*, 6210; *m.* for *recom.* negatived, and Bill read a third time, 6211; assent reported, 6484

CUSTOMS TARIFF (BRITISH PREFERENCE) BILL.

House of Representatives:

Order of leave, 5066; Bill read a first time, and 2R. made an order of the day for later hour, 5120; 2R. moved and debated, 5288; Bill read a second time, and considered in *com.*, 5297; reported, *m.s.o.*, and Bill passed through its remaining stages, 5326; Bill returned from Senate with requests, and *cons. mes.*, 6303; message from Senate and *cons. mes.*, 6408; Bill ordered to be forthwith returned to Senate, 6421; message from

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Senate:

Bill received from House of Representatives, and read a first time, 5342; 2R. moved, 6140; debated, 6143; Bill read a second time, and considered in *com.*, 6168; *ad. rep.*, 6175; Bill returned from House of Representatives, and *m.s.o.*, 6370; debated, 6371; agreed to, and *cons. mes.*, 6372; *ad. rep.*, 6379; message from House of Representatives, and 3R. moved and debated, 6449; Bill read a third time, 6451; message from Governor-General, and *cons. mes.*, 6474; *ad. rep.*, 6477; message, 6483; Bill reserved, 6484

CUSTOMS TARIFF (BRITISH PREFERENCE) AMENDMENT BILL.

House of Representatives:

Order of leave, and 1R. moved, 6422; debated, Bill read a first time, and 2R. moved and debated, 6423; Bill read a second time, and considered in *com.*, 6424; reported and passed through its remaining stages, 6425

Senate:

Bill received from House of Representatives, and 1R. moved and negatived, 6451

CUSTOMS TARIFF (SOUTH AFRICAN PREFERENCE) BILL.

House of Representatives:

Bill founded on resolution of Committee of Ways and Means presented, *m.s.o.*, and Bill passed through all its stages, 6197; message, 6383; assent reported, 6488

Senate:

Bill received from House of Representatives, read a first time, and *m.* that 2R. be taken at later date moved and debated, 6181, agreed to, 6182; 2R. moved, 6304; debated, 6305; Bill read a second time, and considered in *com.*, 6314; reported, *m.s.o.*, and Bill passed through its remaining stages, 6315; assent reported, 6484

DESIGNS BILL.

Senate:

Bill read a first time, 289; 2R. moved, 392; debated, 399; Bill read a second time and considered in *com.*, 403, 534; reported, 535; *ad. rep.*, *m.s.o.*, and Bill read a third time, 616; Bill returned from House of Representatives with *amds.*, 2435; *cons. amds.*, 2548; *ad. rep.*, 2549; assent reported, 3436

House of Representatives:

Bill received from Senate, and read a first time, 684; 2R. moved, 2053; debated, 2162; Bill read a second time, and considered in *com.*, 2165; reported, 2174;

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recom., 2367; *m.s.o.*, *ad. rep.*, and Bill read a third time, 2368; message, 2603; assent reported, 3468

ELECTORAL (ADVERTISEMENTS) BILL.

House of Representatives:

Bill read a first time, 5725; Bill read a second time, reported without *amdt.*, *m.s.o.*, and Bill passed through its remaining stages, 6198; Bill returned from Senate with an *amdt.*, *cons. mes.*, and *ad. rep.*, 6393; assent reported, 6488

Senate:

Bill received from House of Representatives, and read a first time, 6182; 2R. moved and debated, 6322; Bill read a second time, and passed through its remaining stages, 6323; message from House of Representatives, 6370; assent reported, 6484

ELECTORAL (DISPUTED RETURNS) BILL.

House of Representatives:

Order of leave, and Bill read a first time, 553

ELECTORAL VALIDATING BILL.

House of Representatives:

Order of leave and Bill read a first time, 3015; Bill read a second time, and passed through its remaining stages, 3211; Bill returned from Senate without *amdt.*, 5983; assent reported, 6390

Senate:

Bill received from House of Representatives, and read a first time, 3178; 2R. moved, 5781; Bill read a second time, considered in *com.*, and *ad. rep.*, 5783; Bill read a third time, 5902; assent reported, 6361

ELECTORAL (VOTING MACHINES) BILL.

Senate:

Order of leave, Bill presented, and read a first time, 1490; 2R. moved, 1821; *m.* negatived, 1831

EMINENT DOMAIN BILL (*Lands Acquisition Bill*).*Senate:*

Order of leave, 392; Bill read a first time, 616; 2R. moved, 1379; debated, 1504; Bill read a second time and committed *pro forma*, 1523; considered in *com.*, 1577, 1712, 1939, 2119, 2435; *m.* that Bill be reported and amendment that clause 20 be reconsidered moved and debated, 2440; *recons.*, 2442; *m.*, that Bill be reported and amendment that clauses 1 and 6 be reconsidered, moved and debated, 2469; amendment ruled out of order and *m.* agreed to, 2471; *recom.* moved and debated, 2549; agreed to and *recom.*, 2550; *m.s.o.*, *ad. rep.*, and Bill read a third time, 2557; Bill returned from House of Representatives with *amds.*, 6019; message ordered to be printed and considered at later hour, 6020; *cons. mes.*, 6175; *ad. rep.*, 6176; assent reported, 6484

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House of Representatives:

Bill received from Senate and read a first time, 2631; 2R. moved, 3200; debated, 3205, 5860; Bill read a second time, and considered in *com.*, 5877; reported, *m.s.o.*, and Bill passed through its remaining stages, 5807; message, 6382; assent reported, 6488

EXCISE TARIFF (AGRICULTURAL MACHINERY) BILL.

House of Representatives:

Order of leave, 5153; Bill read a first time, and passed through its remaining stages, 5162; Bill returned from Senate with requests and *cons. mes.*, 6197; *ad. rep.*, 6198; message, 6382; assent reported, 6488

Senate:

Bill received from House of Representatives, 5165; read a first time, 5166; 2R. moved, 5788; debated, 6061; Bill read a second time, and considered in *com.*, 6085; *ad. rep.*, 6093; Bill returned from House of Representatives with message, and read a third time, 6181; assent reported, 6484

EXCISE TARIFF (SPIRITS) BILL.

House of Representatives:

Order of leave, and Bill read a first time, 3107; 2R. moved, debated, and agreed to, and Bill passed through its remaining stages, 3383; Bill returned from Senate with requests, 5288; *cons. mes.*, 5983; *ad. rep.*, 5996; message from Senate, and *cons. mes.*, 6383; *ad. rep.*, 6385; message from Senate, and *cons. mes.*, 6408; assent reported, 6488

Senate:

Bill received from House of Representatives, and read a first time, 3309; 2R. moved, 4719; debated, 4720; Bill read a second time, 4728; considered in *com.*, 4728, 4857, 5014; *recons.*, and reported, 5030; *recom.*, 5193; reported, 5201; *ad. rep.*, *m.s.o.*, and Bill read a third time, 5210; Bill returned from House of Representatives, and message ordered to be printed, and considered next day, 6060; *cons. mes.*, 6226; *ad. rep.*, 6237; message from the House of Representatives, *m.s.o.*, and *cons. mes.*, 6366; *ad. rep.*, 6367; message and Bill read a third time, 6379; assent reported, 6484

EXCISE TARIFF (SUGAR) AMENDMENT BILL.

House of Representatives:

Order of leave moved and debated, 5682; agreed to, and Bill read a first time, 5683; Bill read a second time, and considered in *com.*, 5996; reported, *m.s.o.*, and Bill passed through its remaining stages, 5997; message, 6382; assent reported, 6488

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Senate:

Bill received from House of Representatives, and 1R. moved and debated, 6020, 6060; Bill read a first time, 6060; 2R. moved and debated, Bill read a second time, and reported without *amdt.*, 6237; Bill read a third time, and reported without *amdt.*, 6237; Bill read a third time, 6255; assent reported, 6484

FIRE INSURANCE BILL.

House of Representatives:

Order of leave, and Bill read a first time, 1876; 2R. moved, 2592; debated, 2602

GOVERNOR-GENERAL'S RESIDENCES BILL.

House of Representatives:

Order of leave, and Bill read a first time, 872; 2R. moved, 876; debated, 879; Bill read a second time, and considered in *com.*, 890; *ad. rep.*, and Bill read a third time, 892; message from Senate, 1968; assent reported, 2771

Senate:

Bill received from House of Representatives, and read a first time, 1370; 2R. moved, 1851; debated, 1856; Bill read a second time and considered in *com.*, 1865; *ad. rep.*, 1869; 3R. moved and debated, 1938; Bill read a third time, 1939; assent reported, 2772

JUDICIARY ACT AMENDMENT BILL.

Senate:

Order of leave moved and debated, 2187; *m.*, agreed to, 2188

JUDICIARY BILL.

House of Representatives:

Order of leave, 335; message recommending appropriation, 1140; *cons. mes.*, and *ad. rep.*, 1205; 2R. moved, 1431; debated, 1571, 1614; Bill read a second time, and instruction to *com.*, 1641; considered in *com.*, 1642; *m.s.o.*, *ad. rep.*, and Bill read a third time, 1646; message from Senate, 3310; assent reported, 3468

Senate:

Bill received from House of Representatives, and read a first time, 1762; 2R. moved, 2668; debated, 3178; Bill read a second time, and considered in *com.*, 3189; *ad. rep.*, 3197; Bill read a third time, 3261; assent reported, 3436

KALGOORLIE TO PORT AUGUSTA RAILWAY SURVEY BILL.

House of Representatives:

Message recommending appropriation, and *m.* for consideration forthwith, 322; *m.* for appropriation in Committee, *ad. rep.*, Bill presented, and read a first time, 323; 2R. moved, 892; debated, 900, 1457; amendment, 1471; amendment negatived, 1470; Bill read a second time and committed *pro forma*, 1486; considered in *com.*, 2056; *ad. rep.*, *m.s.o.*, and Bill read a third time, 2065

BILLS—continued.

Senate:

Bill received from House of Representatives, and read a first time, 2077; 2R. moved, 2471; debated, 4241, 4367; Bill read a second time, 4420; *m.* to refer Bill to a Select Committee moved, 4421; considered in *com.*, 4431, 4496 (*p.o.*, 4432; *m.* to dissent from President's ruling, 4438, 4496; negatived, 4513), 4513, 4541; reported, 4541; *ad. rep.*, 4623; 3R. moved, 4802; *amds.* to *recom.*, 4802, 4817, 4832; *recom.*, 4834; reported and *m.s.o.* moved and debated, 4836; agreed to, and *ad. rep.* moved and debated, 4841; agreed to, and third reading fixed for following day, 4857; 3R. moved and debated, 4967 (*p.o.*, 4982, 5008; *m.* to dissent from President's ruling, 5011, 5090; negatived, 5101), 5101; 3R. negatived, 5106

LANDS ACQUISITION BILL.

See EMINENT DOMAIN BILL.

LIFE ASSURANCE (FOREIGN COMPANIES) BILL.

House of Representatives:

Order of leave, 322; Bill read a first time, 4796

MARINE LIGHTS AND MARKS BILL.

House of Representatives:

Order of leave, 322

METEOROLOGY BILL.

Senate:

Bill read a first time, 289; 2R. moved, 422; debated, 535; Bill read a second time, and considered in Committee, 549; reported, 551; *ad. rep.* moved and debated, 617; *m.* agreed to, *m.s.o.*, and Bill read a third time, 618; Bill returned from House of Representatives with an amendment, 2186; *cons. mes.* and *ad. rep.*, 2471; assent reported, 3436

House of Representatives:

Bill received from Senate, and read a first time, 684; 2R. moved, 2136; debated, 2142; Bill read a second time and considered in *com.*, 2155; *m.s.o.*, *ad. rep.*, and 3R. moved, 2161; *m.* withdrawn, 2174; *recom.* moved and debated, 2175; *m.* negatived and Bill read a third time, 2179; message, 2520; assent reported, 3468

PACIFIC ISLAND LABOURERS BILL.

House of Representatives:

Order of leave moved, debated, and agreed to, and Bill read a first time, 4321; 2R. moved, 5997; debated, Bill read a second time, and considered in *com.*, 5998; reported, *m.s.o.*, and Bill passed through its remaining stages, 5999; Bill returned from the Senate with *amds.*, and *cons. amds.*, 6390; *ad. rep.*, 6393; message from Senate received and ordered to be considered at later hour, 6408; *cons. mes.*, 6421; assent reported, 6488

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Senate:

Bill received from House of Representatives, and read a first time, 6060; 2R. moved, 6237; debated, 6240; Bill read a second time, 6254; considered in *com.*, 6254, 6255; reported, 6285; *recom.*, 6317; reported, *m.s.o.*, and Bill passed through its remaining stages, 6322; Bill returned from House of Representatives, *m.s.o.*, and *cons. mes.*, 6367; *ad. rep.*, *com.* appointed to draw up reasons for disagreement and reasons adopted, 6370; message, 6474; assent reported, 6484

PAPUA BILL.

Senate:

Order of leave, 2523; Bill read a first time, 2894; 2R. moved, 3639; debated, 4541; Bill read a second time, considered in *com.*, and *ad. rep.*, 4552; Bill read a third time, 4622

House of Representatives:

Bill received from Senate, and read a first time, 4691

PATENTS BILL.

House of Representatives:

Order of leave and Bill read a first time, 5684; 2R., moved, 6125; debated, 6127; Bill read a second time, and considered in *com.*, 6129; reported, *m.s.o.*, and Bill passed through its remaining stages, 6130; Bill returned from Senate with *amds.*, 6385; *cons. mes.*, 6386; *ad. rep.*, 6396; message, 6403; assent reported, 6488

Senate:

Bill received from House of Representatives, read a first time, and *m.* that 2R. be taken next day moved and debated, 6136; agreed to, 6138; 2R. moved, 6285; debated, 6288; Bill read a second time, and considered in *com.*, 6297; reported, *m.s.o.*, and Bill passed through its remaining stages, 6304; Bill returned from House of Representatives, *m.s.o.*, *cons. mes.*, and *ad. rep.*, 6367; assent reported, 6484

POST AND TELEGRAPH BILL.

House of Representatives:

Order of leave, Bill read a first time, *m.*, that 2R. be taken forthwith, and 2R. moved and debated, 5683; Bill read a second time and committed, *pro forma*, 5684; considered in *com.*, 5999; reported, 6018

POSTAL RATES BILL.

House of Representatives:

Order of leave, and Bill read a first time, 2335; 2R. moved, 5423; debated, 5439; debate adjourned, 5451

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PREFERENTIAL BALLOT BILL.

House of Representatives:

Permission to move with concurrence for leave to introduce refused, 3050; *m* for leave moved and debated, 3102; agreed to and Bill read a first time, 3105; 2R. moved, 3310; debated, 3469, 3771; Bill read a second time and committed *pro forma*, 3802; considered in *com.*, 3865

PUBLIC SERVICE BILL.

House of Representatives.

Order of leave moved and debated, 2520; motion agreed to and Bill read a first time, 2521; order of the day read and discharged, 5583

PUBLIC SERVICE (APPEALS) BILL.

House of Representatives.

Order of leave, 2592; Bill read a first time, 5422

PUBLIC SERVICE (TELEGRAPHIC MESSENGERS) BILL.

House of Representatives:

Bill read a first time, 5724; 2R. moved, 6130; debated, 6131; Bill read a second time, reported without *amdt.*, *m.s.o.*, and Bill passed through its remaining stages, 6198

Senate:

Bill received from the House of Representatives, and 1R. moved and negatived, 6182

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Senate:

Order of leave, 1490

REFERENDUM (CONSTITUTION ALTERATION) BILL.

House of Representatives:

Order of leave and Bill read a first time, 3443; 2R. moved, 3734; debated, 3882; Bill read a second time, and considered in *com.*, 3884; *ad. rep.*, 3904; *recom.*, 5047; reported *m.s.o.*, *ad. rep.* moved, debated, and agreed to, 5050; 3R. moved and debated, 5050; Bill read a third time, 5051; Bill returned from Senate with *amds.*, and *cons. amds.*, 5983; assent reported, 6390

Senate:

Bill received from House of Representatives, and read a first time, 5030; 2R. moved, 5674; debated, 5765; Bill read a second time and considered in *com.*, 5770; reported, 5777; *ad. rep.* moved and debated, 5779; agreed to, 5781; Bill read a third time, 5902; message from the House of Representatives, 6020; assent reported, 6361

SPIRITS BILL.

House of Representatives:

Order of leave and Bill read a first time, 3107; 2R. moved, 3446; debated, 3447; Bill read a second time and considered in *com.*, 3458; reported, 3468; *recom.*, moved and debated, 3713; agreed to and *recom.*, 3715; Bill reported and passed through its remaining stages, 3720; Bill

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Senate:

Bill received from House of Representatives and read a first time, 3740; 2R. moved, 4552; debated, 4623, 4692; Bill read a second time, 4719; considered in *com.*, 4719, 5167; reported, 5193; *ad. rep.*, *m.s.o.*, and Bill read a third time, 5210; Bill returned from House of Representatives, and message ordered to be printed and considered at later hour, 6060; *cons. mes.*, 6176; *ad. rep.*, 6181; message from House of Representatives, 6361; *m.s.o.*, and *cons. mes.*, 6364; *ad. rep.*, 6366; message, 6379; assent reported, 6484

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House of Representatives:

Message and appropriation in *com.*, 585; *ad. rep.*, *m.s.o.*, Bill presented, and passed through all its stages, 616; message, 684; assent reported, 977

Senate:

Bill received from House of Representatives, and 1R. moved and debated, 618; Bill read a first time, *m.s.o.*, and 2R. moved, 618; Bill read a second time, and considered in Committee, 619; *ad. rep.*, and Bill read a third time, 643; assent reported, 1379

SUPPLY BILL (NO. 2).

House of Representatives:

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Senate:

Bill received from House of Representatives and 1R. moved and debated, 3356; Bill read a first time, *m.s.o.*, 2R. moved and debate interrupted by count-out, 3381; *m.* to restore Order moved and debated, 3487; agreed to and *m.* for 2R. further debated, 3492; Bill read a second time and passed through its remaining stages, 3500; assent reported, 3623

TASMANIAN CABLE RATES BILL.

House of Representatives:

Order of leave, Bill presented, and passed through all its stages, 4658; message, 5682; assent reported, 5855

Senate:

Bill received from House of Representatives, and read a first time, 4692; 2R. moved, 5631; debated, 5633; Bill read a second time and considered in *com.*, 5637; *ad. rep.*, *m.s.o.*, and Bill read a third time, 5639; assent reported, 5726

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Adjournment of Debate cannot be moved by a senator after he has spoken to the original question, 1418, or while a point of order is pending, 3739

A debate which has been interrupted by the operation of a rule need not be adjourned; it thereby stands adjourned, 5010, 5092, 5610, 5799

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While an original amendment and an amendment thereto are pending, a senator cannot move any amendment, 2116

When the amendment of a senator has been disposed of, senators who have not spoken may move other amendments; but senators who have spoken cannot move further amendments, 2116

A motion to "now" adjourn the Senate is not open to amendment, 3964

A senator cannot move an amendment to his own motion, 4830

An amendment to give precedence to private business on a new sitting day is not in conflict with a sessional order giving precedence to such business on an existing sitting day, 5109

Ordinarily a motion to adopt the report of a Committee of the Whole is not open to amendment, and must be either negatived or passed; but in an exceptional case an addition, by way of a rider, may be made that a message be sent to the other House, 6378-9

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An amendment to a clause must be relevant to the subject-matter of the Bill, 4437, 4497, 4513

The only test as to the admissibility of an amendment is whether it is relevant to the subject-matter of the Bill, and standing order 251, 4513, 4738

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The Senate, if it so desires, may delegate to a Committee the power to consider, and, if it thinks fit, to add a certain proviso to a clause of a Bill; but it would not be competent for a senator to ask the Committee to make another amendment in the clause or to amend the proposed proviso, 4832-3

An amendment which is a direct negation of the object and subject-matter of a Bill, as read the second time, is not admissible, 5591

An amendment to postpone the consideration of a Bill until certain business has been dealt with is not relevant to the motion for its second reading, 5905-6

It is for the Chairman to say whether a certain amendment can be moved when a Bill is in Committee, 5765, or whether amendments or requests should be made, 5066-8

It is not the duty of the Chair to apply or interpret section 55 of the Constitution; it will be competent for the Committee of the whole to reject any clause which ought not to be in the Customs Tariff (Agricultural Machinery) Bill, 5067

According to section 55 of the Constitution the imposition of taxation, and perhaps small details relative thereto, are the only matters which ought to be contained in a Customs Tariff Bill. A clause which, under the guise of being a condition as to the imposition of the tax, really regulates the maximum prices to be paid for an article is not a proper provision to be in the Bill. And not being a clause to which the provisions of the Constitution in respect of requests apply, it may be amended in the ordinary manner, 5971, 6072, 6086, 6089; although the proper course to take is to move an amendment, still either an amendment or a request, as the Senate thinks fit, may be moved, 6073

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A senator may propose either a request or an amendment in reference to that part of an Excise Tariff Bill which provides that those who obtain certificates shall be exempt from the imposition of the duties, and the Chairman is not justified in refusing to accept an amendment, 6088

A request that proposed duties of Excise shall only be imposed under certain conditions is relevant to the subject-matter of the Excise Tariff Bill and is in order, 4738

Where the request of the Senate to amend a Bill has been complied with it can negative the motion for third reading; but it cannot deal further with the Bill, 6449

A Bill is "reported" when the report is received, 5641

A "future day" for taking the report of a Bill, as amended, means a future parliamentary, not calendar day, 3692

Until a fair copy of a Bill, as amended in Committee, has been circulated, the adoption of the report thereon ought not to be moved, 3738

After the motion to adopt the report of the Committee on a Bill has been put, and become a question, no proposition can be made for a recommittal of the Bill, except as an amendment; but prior to the motion being put a senator may move for a recommittal, and, if moved, then it supercedes the proposed motion and will become the question, 3815-7

Where the adoption of the report on a re-committed Bill has been moved and debated, it is not possible to go back into Committee at that stage, 4853

If the motion of a senator to recommit a Bill be rejected he cannot then move that it be recommitted in part, 4802

A motion for the third reading of a Bill is superseded by a motion for its recommittal, 4802, 4830

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Every senator is required to remain while the Senate is being counted, 3381

When a senator leaves the chamber in derogation of standing order 56, he should be counted, as if present, 3399

A senator cannot move the adjournment of the Senate to discuss a matter of urgency, unless prior to the beginning of the sitting he has in writing acquainted the President with his intention, 4266

At the expiration of two hours from the beginning of a sitting, unless otherwise ordered, the orders of the day must be called on, 516, except in the case of a motion for adjournment, when, if the debate exceeds two hours, they must be called on at its conclusion, 5090

Ordinarily there ought to be an interval of 21 days between the report and third-reading stages of a Constitution Alteration Bill; but when the standing order fixing such time-limit has been suspended, the proper course to pursue is to fix a date for the call of the Senate, and then to set down for that date the third reading of the Bill, 4289-90. If, however, the Bill is recommitted in the meantime, and that day is found inconvenient for the call, the Senate can fix any other day, 4293

When the debate on a notice of motion is interrupted on a Thursday by the suspension of a sitting for dinner, its resumption should be made an order of the day for a future day, 551

Government business cannot take precedence in the time set apart by sessional order for private business, unless the latter is rearranged, 4985-91

An order of the day does not drop off the notice-paper when the debate thereon is interrupted by the suspension of the sitting, and is not adjourned, either then or afterwards, or when it is continued, irregularly, beyond the allotted time: it may be called on by the Clerk when such business is entitled to take precedence, 5008-10, 5090-2

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If the Senate is engaged upon certain business at 10.30 p.m., it can continue its consideration, but no new business can be taken, 4540

Subject to the Standing Orders, the Senate may regulate its proceedings. If it holds meetings not consistent with them that does not affect the validity of the proceedings; nor can they be questioned in any Court, 4088-9. There is no authority outside the Senate to decide whether its proceedings have been regular or irregular, 5008, 5091

A sitting of the Senate for one day is one sitting; it may be suspended for one hour or six hours, and at the end of that time the interrupted debate may be resumed, 5010

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Where by sessional order three days of meeting during the session were fixed, to begin at 2.30 p.m. on two days and at 10.30 a.m. on the other day, "unless otherwise ordered," the meaning and intention of the Senate was that, in accordance with parliamentary practice, the number of sitting days could be increased towards the end of the session, and that the words "unless otherwise ordered," were intended to apply to the whole resolution, 5108

It is irregular to read a message or take other business during the debate on a stage of a Bill, 6361-2

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A senator ought to refrain from tedious repetition, 4429-30, 4800, 5245-6, 5636, 5948-9, 6248, 6345

On the motion for first reading of a Bill which the Senate can amend no debate is allowed, but a question may be put to the Minister in charge of it, 5166

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In debating the second reading of a Bill a senator ought not to go into the details, 5388, or allude to promises which have not been fulfilled, 5938

On the second reading of an Appropriation Bill it is not in accordance with the Standing Order for a senator to discuss the question of Socialism, 6334; or to review the work of the session, 6136; or to explain how population might be increased, 6141; or to criticise the administration of a Department during the year, 6353; or to re-argue a question which had been discussed on a previous Bill, 6360; or to discuss a proposition which is not before the Senate, 6360

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